

LAWS  
REPUBLIC OF IRAQ  
MINISTRY OF FINANCE  
THE STATE COMMISSION OF CUSTOMS

In the name of people:  
THE REVOLUTIONARY COMMAND COUNCIL

With the approval of the NATIONAL ASSEMBLY (PARLIAMENT) in pursuance to Article 53 of the INTERIM CONSTITUTION, and paragraph 2 of the LAW of the NATIONAL ASSEMBLY NO.55 OF 1980, and pursuant to the PROVISION OF paragraph A of Article 42 of the INTERIM CONSTITUTION;

The Revolutionary Command Council in its session held on 19<sup>th</sup> February 1984; do hereby order the enactment of the following law:

**LAW NO. (23) OF 1984**

**CUSTOMS LAW**

**PART 1**  
**DEFINITIONS AND GENERAL PRINCIPLES**

**Article 1**

Expressions and terms as mentioned in this law shall intend to have the meanings as stipulated against each of them:

- 1 - THE MINISTER: MINISTER OF FINANCE.
- 2 - THE DIRECTOR GENERAL: The Director General of the STATE COMMISSION OF CUSTOMS
- 3 - THE CUSTOMS ADMINISTRATION: THE STATE COMMISSION OF CUSTOMS, and the departments thereof.
- 4 - THE CUSTOMS DEPARTMENT: The executive customs department linked to the Director General or any of his authorized ones.
- 5 - THE CUSTOMS TARIFF: The list containing names of goods, rates of customs duties subject there to. Rules and remarks mentioned in.
- 6 - THE CUSTOMS PRECINCE : The sector which shall be determined by the Customs Administration for the application of customs functions including customs procedures and control at any naval or airports or at any other place where a customs office is located .
- 7 - CARGO STATEMENT (THE MANIFEST) :

The list containing distinguished ingredients specified for the cargo being laden on board the vehicle.

- 8 - THE DEPOT: The place or building prepared by customs Administration or it agreed to be used by others to store goods awaiting the withdrawal thereof according to any of customs situations.

- 9 - THE WAREHOUSE: the place or building where goods shall be warehoused under the supervision of Customs Administration pending the imposition of duties according to the provisions of this law.
- 10 - THE CUSTOMS DECLARATION: The statement to be submitted by owner of goods or by the one who represents him lawfully, containing the distinguished ingredients being specified for the declared goods according to the provisions of this law, customs regulations and rules .
- 11 - THE CUSTOMS LINE: The line in congruence to the political frontiers separating the Iraqi Republic from adjacent countries and the sea shores surrounding it.
- 12 - MARINE CUSTOMS BELT: The part of lands or seas subject to customs control and procedures as provided by this law. It is of two kinds :
  - a - MARINE CUSTOMS BELT: Covers the sea zone situated between the shores and the end of territorial water frontiers.
  - b - LAND CUSTOMS BELT: Covers the lands situated between the shores or lands frontiers from one part and an internal line from the other part to be determined by a resolution from the minister, and shall be published in the official Gazettes.
- 13 - THE GOODS: Any material or product being natural, animal, agricultural or industrial.
- 14 - KIND OF GOODS: The naming of goods in the list of customs tariff.
- 15 - ORIGIN OF GOODS: The country of goods production.
- 16 - SOURCE OF GOODS: The country from which goods were imported or shipped.
- 17 - RESTRICTED GOODS: Goods importation or exportation of which are restricted to parties being authorized by law.
- 18 - GOODS CHARGED WITH HIGHEST RATE OF DUTY, Goods being subject to residence duties which are determined for the purpose of customs control by a resolution from the minister to be published in the official Gazette.
- 19 - CONTRABAND: Any goods importation or exportation of which are prohibited by law according to the provision of this law or other laws.
- 20 - SPECIFIED CONTRABAND: the prohibited goods which shall be determined for the purpose of customs control, by a resolution from the Director General and to be published in the official Gazette.

#### Article 2

- 1 - Provision of this law shall apply to the zone which covers territories being subject to the sovereignty of the Iraqi Republic, internal waters and territorial sea thereof.
- 2 - Free zones and shops where customs statutory provisions shall not be applied in whole or in part, may be established in the customs zone as stipulated in paragraph 1 of this Article.

#### Article 3

Any goods which shall pass the customs line at entry, departure or in transit shall be subject to the provisions of this law and the observed customs rules.

PART 2  
SCOPE OF WORK FOR CUSTOMS  
DEPARTMENT

Article 4

Customs departments shall exercise their work at customs precinct and inside the customs be it. They may exercise their powers along the lands, territorial sea and internal water including lakes, rivers, canals and marshes according to provisions of this law.

Article 5

Customs departments, offices and sentries may be established or abolished by a resolution from the Minister.

Article 6

Power of customs departments, offices and sentries and working hours therein shall be determined by an order from the Director General with the observance of the provisions of laws in force.

Article 7

Customs procedures shall not be performed unless at proper customs offices according to what was mentioned in Article 6 of this law with the observance of the provisions of Article 63 thereof.

PART 3  
PRINCIPLES FOR THE APPLICATION OF CUSTOMS TARIFF

Article 8

Goods entering territories of the Iraqi Republic or departing there from in any manner shall be subject to customs duties as provided the tariff law. Duties and charges as provided by laws in force, except otherwise as stated by a law or an agreement.

Article 9

Customs duties shall be levied, amended and repealed by a law according to a proposal by the minister.

Article 10

The ordinary tariff duties shall be applied to the goods of all countries with the observance to what was mentioned in Articles 11 and 12 of this law.

Article 11

Preference tariff duties on goods of countries shall be applied according to agreements being concluded in this respect.

Article 12

Maximum tariff duties may be applied by a law which shall not exceed two folds of the

ordinary tariff duties on goods of some countries, provided that they shall not be below than 35% of the price value of goods.

#### Article 13

Some imported goods may, by a law pursuant to a proposal by the minister, cause to be subject to a compensatory additional duty in the following two cases:

- 1- When goods in the country of origin enjoy a Direct subsidy when exported.
- 2- When one country lowers the prices of its goods for the purpose dumping.

#### Article 14

Goods being declared for the purpose of consumption or exportation shall be subject to the tariff valid at the date of the registration of the statements thereof, unless otherwise provided in the laws amending the tariff. As for goods earmarked for exportation whose duties were paid before its complete entry to the customs precinct, that part which did not enter into shall be subject to the being valid at the time of its entry.

#### Article 15

- 1 - When the settlement of duties levied on goods deposited in the warehouse by reason of the expiry period of warehouse and the non obtaining of a formal extension, is ought to be done, then the provisions of the tariff being valid at the expiry date of warehousing period shall be applied.
- 2 - goods withdrawn illegally from the warehouse, or whose shortage is observed when examining warehouse accounts of the tariff being valid at the date of latest departure there from, or the date of discovery of such shortage or the date of its occurrence, shall be subject to the tariff being valid, whichever is the highest .

#### Article 16

Goods duties of which are pending according to the statements of bailed guarantee which were not forwarded to the customs department shall be subject to the tariff being valid at the date of registration of these statements or at the expiry date of periods granted to, whichever is the highest. As for goods forwarded to the customs department by interested owners with the intention of offering them for consumption, the tariff being valid at the date of registration of the statement in respect of offering it for consumption shall be applied.

#### Article 17

Goods departed from the free zone or shop for the purpose of consumption shall be liable to the tariff being valid according to the provisions of Article 14 of this law.

#### Article 18

Smuggled goods that presumed to be smuggled shall be liable to the tariff being valid on the date where the date of its occurrence, if deterioration thereof or the date of settlement were possible, whichever is the highest. If a judgment is passed and have not acquired the final degree prior to settlement, then the duties incorporated in this judgment shall be rolled upon.

#### Article 19

The tariff which is valid on the day of sale shall be applied to goods which are to be sold by the customs department destined for consumption according to provisions of this law.

#### Article 20

The tariff which is valid shall be applied to goods liable to proportional duty (ad valorem) subject to the condition being prevailed. As for goods liable to a specific duty (fixed), full duty shall be collected irrespective of its conditions, unless the customs department shall verify the deterioration being attached to by reason of a force majeure or an incident beyond control, then the amount of the specific duty shall be reduced in proportion to the deterioration attaching the goods. The rate of deterioration shall be determined by a resolution from the director general or whoever he authorizes. Interested owners may oppose such a resolution with the opposition body as mentioned in Article 74 of this law.

#### Article 21

Provision of Article 14 to 20 of this law shall apply to all duties and other charges to be collected by Customs Administration.

### PART 4

#### RESTRICTION AND PROHIBITION

#### Article 22

- 1 - Any goods entering to, departing from or in transit through the Iraq Republic shall be displayed to the proper customs office and a manifest shall be submitted according to what is determined by customs department.
- 2 - The office to which the manifest is submitted at entry; under provisions of Para (1) of this article shall be the nearest office to the frontiers.

#### Article 23

Vessels of any tonnage shall in no way anchor at ports other than ones prepared to, except in circumstances arisen from marine emergencies or force majeure. In such a case, masters shall notify a nearest customs office with this effect without delay.

#### Article 24

Restricted goods, contraband, goods subject to highest rate of duties or the specified contraband shall in no way be conveyed by vessels having a tonnage less than 200 marine tons within the territorial sea.

#### Article 25

Vessels having a tonnage less than 200 marine tons which convey goods of the kinds referred to in Article 24 of this law shall in no way rove or deviate from their direction of voyage inside marine customs belt unless at circumstances arisen from marine emergencies or force majeure. In such case, masters shall notify a nearest customs office with this effect without delay.

#### Article 26

Aircrafts that cross the frontiers are prohibited from taking off or landing at airports other than ones having customs offices except in cases of force majeure. In this case, captains of aircrafts shall notify a nearest customs office or other competent authorities with this effect and to submit, without delay, a report to the customs department supported by the authority which was notified with.

#### Article 27

- 1 - The unspecified contraband which is declared under its real name shall not be seized. Goods being declared for entry shall be returned abroad, and the goods being declared for the purpose of being taken out shall be returned into, unless being permitted to be excluded from prohibition in any of the two foregoing cases.
- 2 - The specified contraband, even if declared under its real name seized unless a declaration for entry or departure thereof shall be issued. If such permit was obtained later on, it shall be allowed to be entered or taken out after settlement of the contravention.
- 3 - The customs transaction for goods whose import or export pending on a permit, license or any other certificate or document, shall not be allowed unless the required documents are submitted to the proper customs department.

#### Article 28

All foreign products which bear a brand of a factory, commercial house or any name, sign or indication that will lead to the perversion that such products were made in the Iraq Republic or of local origin, whether these brands are on the same goods, over their wrappers or packing (bindings), shall be considered as a contraband.

#### Article 29

- 1 - The entry of foreign goods lacking the terms as stipulated in the laws and regulations for the protection of origin and property shall not be allowed unless the competent authorities agree to lift such prohibition.
- 2 - The prohibition as provided in Para (1) of this Article and Article 28 of this law shall be applied to conditions pending duties as provided in PART 8 thereof.

#### Article 30

The Director General may determine special rules for packing in respect of some goods.

### PART 5

### THE DISTINGUISHING INGREDIENTS FOR GOODS

#### CHAPTER 1

#### ORIGIN AND SOURCE

#### Article 31

The goods imported shall be subject to have their origin to be proved. Conditions to prove the origin and cases to exempt from such proving shall be determined by a resolution of the Director General.

#### Article 32

- 1 - goods imported from a country other than country of origin, after having put under consumption at that country, shall be subject to the tariff of the country of origin or export, whichever is the highest.
- 2 - Should the goods gained a manufacturing in a country other than country of origin, it shall be subject to the applied to country of origin or country of manufacturing according to the level of its manufacturing under the rules to be determined by a resolution from the Minister.

### CHAPTER 2 THE KIND

#### Article 33

- 1 - The Director General shall issue resolutions of resemblance and paragraphing for the kinds of goods not mentioned in the schedule of tariff according to rules listed therein, and shall be published in the Official Gazette.
- 2 - The additional explanations for the tariff, and the applying clauses thereto shall be issued by resolutions of the Director General in which be shall determine the beginning of their validity with the observance to interpretational explanations for the tariff being issued by the League of Arab States.
- 3 - Resolutions issued by the Director General shall become final under paragraphs (1) and 2 of this Article, after being approved by the Minister, They shall not be impeachable with judicial and administrative authorities.

### CHAPTER 3 THE VALUE

#### Article 34

The value ought to be declared on importation for consumption and for conditions pending duties, is the ordinary price for goods, the cost added freight and insurance. Such value shall be determined according to the following :-

- 1 - If the value of goods is made in foreign currency, then it shall be converted into Iraqi Dinars on the basis of foreign exchange rate as published by the Central Bank of up to the bank accordingly. In case the bank, the rate of foreign exchange at the date where the declaration was registered shall be deemed as basis for the collection of customs duties.
- 2 - That goods are delivered to the buyer at the place where duty is charged, le..., customs precinct.
- 3 - That costs of goods and all other costs related to sale and delivery of goods up to the place of entry to customs precinct were entered by the seller.
- 4 - That no transportation charges, duties and taxes shall be entered under the apprehension of price of goods unless after being entered to the zone of delivery which is to be determined by an accord made initially between transacting parties.
- 5 - It is supposed that the sale was made at a free competitive market between the buyer and the seller, each of them in independent from the other in which:-

- a) payment of value by the buyer is the sole actual obligation towards the seller;
  - b) the value agreed upon was not effected by commercial, financial or other relations between the seller or his partner on one side and between the buyer or his partner on the other side, except relations arising from the sale itself, whether such relations were contractual or non-contractual ;
  - c) it does not belong to the seller or his partner, whether he is natural or juridical person, and whether any part of the subsequent proceeds for the selling of goods was directly or indirectly assigned or used ;
  - d) they shall be considered as partners in the properties, any two persons any one of whom has an interest in the trade of the other, or both of them have a common interest in a certain trade, or a third person has an interest in the trade of both of them, whether these two partners were natural or juridical persons.
- 6 - If the goods the value of which is intended to be determined was made according to a registered patent, bearing a brand of foreign made or a foreign trade mark imported to be sold under such mark, Then the value shall be supposed as if it incorporates the value for the right to use such patent, design. Factory or the trade mark of such goods.
- 7 - As an exception from the rules as provided in this Article, the value of goods imported by state department and the socialist sector shall be deemed as the price of goods at the place of shipment or purchase being listed in suppliers invoices adding freight and insurance up to importation place. In case the invoices have no value, the said authorities shall submit documents from the suppliers showing the value of such goods according to the provisions of this Article.

#### Article 35

The value being declared in exportation shall be deemed as the value of goods at the time of registration of customs declaration adding all cists thereto until the departure of goods from the frontiers. Such value not cover :

- 1 - Duties and taxes livable on exportation.
- 2 - Domestic taxes production taxes and such others which are refundable when exported.

#### Article 36

The customs department may increase when necessary, the value being declared in a way that makes them proportional to the real value of each of them according to the provisions of Article 34 and 35 of this law, with the exception of goods being imported by state departments and the socialist sector.

#### Article 37

- 1 - An original invoice attested by the chamber of commerce and industry or any other authority accepted by customs administration shall be attached with every



declaration to prove the correctness and origin.

These invoices shall also be legalized by the proper authorities according to instructions to be issued by the Minister in this respect. The customs department has the right to requisition for documents, contracts, corresponding and other have relation with the contents therein or invoices themselves, and without any restriction to assessment power vested to.

- 2 - The customs department may omit the notice to the legalized invoice or its declarations wholly or partly according to instructions to be issued for this purpose.

PART 6  
IMPORTATION AND EXPORTATION  
CHAPTER 1  
IMPORTATION  
TRANSPORTATION BY SEA

Article 38

- 1 - Any goods arriving by sea, even if imported to free zones shall be registered in the manifest.
- 2 - The Director General shall make public the typical from the manifest and the number of copies ought to be submitted there from.
- 3 - Every vessel shall have one manifest. It shall bear the signature of the vessels' master, and shall mention the vessels' nationality, registered tonnage, kinds of goods, number of pieces and parcels, description of wrappers, brands, numbers, shipper's name, the consignee and the ports from which it was shipped.
- 4 - If the vessel's cargo contains bulk goods, then its weight shall be mentioned. Should it contain contraband, then the real name thereof shall be mentioned in the manifest.
- 5 - Master of the vessel, when she enters the customs belt, shall produce the original manifest at the first requisition by customs officers to be marked out by them and a copy of which shall be delivered to them. The following documents shall also be submitted by him to the customs office within 36 hours from the time the where the vessel entered the port, excluding official holidays :
  - a) The original manifest and its preliminary translation when necessary.
  - b) The manifest in relation to the provisions of the vessel, mariners' luggage and articles belonging to them.
  - c) A list of the names of passengers and all shipping documents which may be requisitioned by the customs department in the course of the application of customs rules.
  - d) The manifest of goods to be discharged at such port.

Article 39

If the manifest belonged to vessels that make no regular voyages, nor have navigation

agents in the ports, or they were of other means of water transport, then this fact shall be marked out by the customs department at the port of shipment.

#### Article 40

- 1 - Vessel's cargo and all other means of water transport shall not be discharged unless at the precinct of ports where customs offices are located.
- 2 - The discharge of any goods or transshipment thereof from one vessel to another shall not be allowed unless by a written consent from the customs department and the presence of its officers.
- 3 - The discharge and transshipment from one vessel to another shall be made during hours and within the terms being determined by customs department.

#### Article 41

- 1 - master of the vessel or his representative shall be liable against shortage in pieces,

#### Article 48

No discharge of or jettison of goods from overboard the aircraft en route. The aircraft pilot, as an exception, may order the jettison of goods when the safety of aircraft is necessary provided that he shall notify the customs department with this fact immediately after the landing aircraft.

#### Article 49

Provisions of Article 40, 41, and 42 of this law shall be applied to overland and air transportations in respect of discharge of goods, transshipment from one transportation means to another, and the provisions of liability when a shortage arises in respect of such goods.

## CHAPTER 2 EXPORTATION

#### Article 50

No vessel, train, car, aircraft or any other means of transportation, whether laden or empty, shall depart from Iraqi Republic without submitting a manifest in conformity to the provisions of Article (38) of this law together with all documents referred to in the said Article if necessary, and obtaining a permit to depart cases other than those being excepted by customs Administration.

#### Article 51

- 1 - Goods intended for exportation shall be driven to the proper customs office for the declaration by a statement.
- 2 - Carriers of goods intended for overland exportation shall in no way pass over customs offices and sentries without permit nor to follow routes other than that specified for such purpose with the intention to avoid such offices or sentries, provided that procedures determined by Customs Administration in respect of goods subject to the provisions of customs belt shall be observed.

CHAPTER 3  
TRANSPORTATION BY WAY OF MAIL  
CORRESPONDENCE OR BY PARCEL POST

Article 52

The importation or exportation of goods shall be made through mail correspondences or parcel post according to Arab and international postal conventions and statutory stipulations in force.

Article 53

- 1 - in the manifest for its substitute, there shall not be mentioned a number of sealed packages or those allied together in any manner under the context that they are one package.
- 2 - Instructions issued by customs Administration shall be observed in respect of container, pallets and trailers.

PART 7  
STAGES OF CUSTOMS CLEARANCE  
CHAPTER 1  
CUSTOMS DECLARATIONS

Article 54

When any goods is to be cleared, there shall be submitted to the customs department a detailed, declaration, even if it is exempted from duties and taxes, containing all information's enabling the applications of rules in forces, and the collection of duties and taxes being levied and preparing statistic.

Should there be a lack of information's, the owner of goods may request to be viewed under customs supervision for the fixation of the terms to be decided by the Director General.

Article 55

The Director General shall determine the type of declarations, number of copies, information to be incorporated, documents to be enclosed and exceptions from such rules. The declaration shall be registered under un annual serial number after verification of its congruency to the provisions of this law.

Article 56

In the detailed declaration, nothing shall be mentioned except the goods belonged to the manifest, save such cases which shall be determined by the customs Administration.

Article 57

- 1 - in the customs declaration, there shall not be mentioned a number of sealed packages or other allied together in any manner under the context that they are one package.
- 2 Instructions issued by customs administration shall be observed in respect of

containers, pallets and trailers.

#### Article 58

The content of customs declaration shall not be amended after having been registered. The declare may apply for the correction in respect of the number, measurement, weight or value on the provision that it must be made prior to the reference of declaration to examining body within 24 hours from the time where the declaration is submitted.

#### Article 59

- 1 - customs Administration may cancel customs declarations which are registered but for which payable duties and taxes have not been effected, or those which have not completed the clearance stage for reasons connected with the applicant, within a period of 15 days from the date of the registration of these declarations.
- 2 - Declarers department request to cancel them as long as their duties and taxes incurred are not paid. No cancellation shall be allowed in case of a dispute unless after being settled.
- 3 - Customs department, in cases as provided in paragraphs 1 and 2 of this Article, may requisition to view the goods and to undertake such a view in the absence of the declarer after having been served with a notice to attend such a view by a written summons after which he had failed to attend.

#### Article 60

- 1 - owner of goods or their lawful representatives may view their goods before the submission of the detailed declaration and to take samples there from when necessary after having a permit from the customs department on condition that it must be made under its supervision.
- 2 - Samples taken shall be subject to duties and taxes incurred thereupon.

#### Article 61

Non owner of goods of their lawful reprehensive shall in no way be allowed to have cognizance of customs declarations, except judicial and other competent official authorities.

### CHAPTER 2

#### VIEWING THE GOODS

#### Article 62

After having the detailed declarations registered, the customs department shall view the goods in whole or in part, according to regulating instructions issued by customs Administration.

#### Article 63

- 1 - viewing the goods shall be made at customs precinct. In some cases, it may be allowed to be made outside such precinct according to an application submitted by interested owner at their expense under the rules to be determined by customs

Administration.

- 2 - Conveyance of goods to the place of viewing, opening packages, re-enveloping them and all other works required by such view, shall be on the expense of the declarer and under his responsibility.
- 3 - Goods placed in customs depots or at places being determined thereto for the purpose to be viewed shall not be conveyed without the consent of customs department.
- 4 - Workers in the conveyance of goods and forwarding it to be viewed must be acceptable for this purpose by customs department. No person is admitted to customs depots, war chouses, pens sheds and yards intended for storing or warehousing goods, or places for view without a prior approval by customs department.

#### Article 64

No examination shall be made without the attendance of the one who submitted the declaration or his lawful representative except when he had failed to do so after having been served to attend. As regards customs duties, the liability shall be determined when a shortage according to the content of packages as follows:

- 1 - If packages entered to customs depots or warehousing were in an apparent good condition, then it was confirmed that the shortage had occurred in the country of export prior to shipment, the prosecution for such shortage shall be ceased, and no liability shall arise.
- 2 - If packages entered to customs depots or warehouses were in an apparent unsound condition, the authority investing such depots or warehouses, or that authority for which it is responsible, shall carry out with customs department carrier company and insurance company, if necessary, to record such condition in the delivery minutes and verify its weight and contents. The investing or the responsible authority shall take the necessary measures to secure its protection. In this case, the liability shall fall on the carrier, unless a reservation is found in the manifest, and marked out by the customs (authority) of the country of export, then the prosecution of such shortage shall be ceased.
- 3 - Packages were entered into customs depots or warehouses in an apparent good condition, then was found afterwards that a suspicion of fraudulence exists inside such depots or warehouses which led to such shortage, then the liability or the responsible authority.

#### Article 65

- 1 - The customs department may open packages to be viewed when suspicion of an existence of a contraband or that is contrary to the contents of the customs documents or the refusal of the owner or his representative to attend the view during the period to be determined by customs department which must not exceed ten days from the date of being served with. Minutes shall be made in this respect.
- 2 - The customs department may, if required, re-examine the goods which had been already viewed.

#### Article 66

The customs department may analyse the goods with a reliable analyst to be ascertained of its kind, specification or congruency to the rules being adopted.

#### Article 67

- 1 - The customs department and owners may object against the result of goods analysis according to Article 66 of this law before the Opposition Body shall determine such opposition after having taken the opinion of any specialized analysts selected by it.
- 2 - Rules in respect of regulating procedures as provided in Para 1 of this Article shall be determined by the Minister.

#### Article 68

- 1 - If the provisions of other enactments require the existence of particular conditions and specifications in the goods that necessitate analysis or examination in respect of it shall be accomplished before allowing it to be cleared.
- 2 - Customs departments, in co-operation with the competent authorities, may destroy goods that will prove, from analysis or examination, to be injurious on the expense of their owner with their attendance or that of their representatives. They may re-export them within a respite to be by the customs department. In case of failing to attend, or re-exportation after being notified in writing, the process of destruction shall go on at their expenses, and minutes shall be made in this regard.

#### Article 69

- 1 - Wrappers of goods of proportional tariff (advalorem) shall be subject to the duties of goods incorporated within. The Minister may determine, by a resolution, cases where duties and taxes levied on wrappers separately from goods mentioned therein and according to tariff items of same, whether for goods advalorem, the specific (fixed), goods subject to decreased duties or that which is exempted from customs duties.
- 2 - The terms through which the dutiable goods to be examined on the basis of weight and the calculation of duties levied upon shall be determined by a resolution from the Director General.

#### Article 70

If the customs department was unable to be ascertained from the genuineness of the contents of the declaration by way of examination of goods and the document produced, it may halt such examination and may requisition the necessary documents, provided that these measures shall be made within a proper period.

#### Article 71

Duties and taxes shall be collected according to the contents of the declaration, unless the outcome of examination gives a difference between them and between the contents of the declaration. In this case duties and taxes shall be collected on the basis result, without prejudice to the right of customs department to follow up the collection of penalties

incurred, when necessary, according to the provisions of this law.

#### Article 72

The customs department may repeat examination according to the provisions of Article 62-71 of this law.

### CHAPTER 3

#### PROVISIONS IN RESPECT OF TRAVELLERS

##### Article 73

- 1 - Passengers shall have to proceed to the proper customs office to declare the accompanying goods in their journey which are subject to customs duty.
- 2 - Declaration and examination shall be made according to procedures and rules to be determined by customs Administration.

### CHAPTER 4

#### OPPOSITION

##### Article 74

- 1 - A body or more shall be established in the customs department under the name of "OPPOSITION BODY" as follows :
  - A ) A justice with a minimum rank of class III, to be named by the Minister of justice, as chairman.
  - B ) A representative for the customs department whose rank is not below than a manager, as member.
  - C ) A representative for the General Federation of Chambers of Commerce and industry to be named by the chairman of the Federation, as member.
- 2 - The interested owner may oppose against the decision passed by the customs department in respect of specifications, origin or value of goods with the OPPOSITION BODY as provided in Para 1 of this Article if he deems that such decision is infringing his right, within 7 days from the date of being served by the decision.

##### Article 75

- 1- The decision of the OPPOSITION BODY shall be final, unimpeachable.
- 2- In case the opposition is dismissed, the op-poser shall bear costs of opposition.
- 3- The Minister shall determine what is related to the number of opposition bodies, their centers, jurisdiction circles and remuneration to be disbursed to members thereof.

##### Article 76

As an exception from the provisions of this chapter, the decision of customs department shall be final, imposable in the following two cases:

- 1 - If the intention of customs department's decision would lead the interested owner to bear the payment in the difference of customs duties and other tax charges that are less than 50 Dinars.

- 2 - If the decision would lead the goods to be prohibited where its value is less than 150 Dinars.

#### Article 77

- 1 - Proceedings of the Opposition Body, rules to be followed in taking samples, terms to test goods under controversy of duty-payers prior to opposition and the decision of the Opposition Body. Shall be determined by customs Administration.
- 2 - Opposition to be filed with the Opposition Body shall not be allowed except for goods that are under the control of the customs department.
- 3 - If the existence of goods was not necessary to have the opposition to be determined, the customs department may allow the delivery of goods before completion of the Body's proceeding according to the terms and guarantees which may be determined by customs Administration, except in case the goods is exposed to prohibition.

### CHAPTER 5

#### PAYMENT OF DUTIES AND TAXES AND WITHDRAWAL OF GOODS

##### Article 78

Withdrawal of good from customs department shall not be allowed unless after the competition of customs procedures in respect of, payment of duties and taxes for, or to deposit it as a trust and submitting surety thereby.

##### Article 79

- 1 - Duties and taxes shall be paid according to the provisions of this law. Customs officers in charge of collections of duties and taxes shall give a receipt to be made in the name of the declaration producer as provided in Article 172 of this law. The receipt shall be made in the form as determined by customs Administration.
- 2 - Settlement of duties and taxes ought to be refunded shall be made in the name of owner of goods or the declaration producer authorized by him after showing the receipt being given to him at the beginning, or a copy of it if necessary. The customs department shall be discharged from any obligation in this case immediately after payment of amounts to the declaration producer.

##### Article 80

- 1 - Goods imported by state departments, socialist sector, mixed sector and popular organization or for their account, shall be subject to duties and taxes unless exempted by a special provision.
- 2 - Detailed declaration for goods as provided in paragraph (1) of this Article shall be made according to the general rules. A permission to withdraw these goods forthwith or after completion of examination and before payment of duties and taxes accrued may be given according to the terms to be determined by the Minister.

##### Article 81

- 1 - When the state of emergency is declared measures may be taken to withdraw



goods against special guarantee and conditions to be determined by resolution from the Minister.

- 2 - Goods as provided in Para 1 of this Article shall be subject to the rates of customs duties and other taxes in force at the date of its withdrawal.

#### Article 82

Duty payers may be allowed to withdraw their goods before payment of duties and taxes under a bank guarantee or cash payment within the terms and rules to be determined by the Minister.

### PART 8

#### SUSPENDED CONDITIONS OF DUTIES

##### CHAPTER 1

##### GENERAL BULES

#### Article 83

- 1 - Goods may be entered and transported from one place to another within the Iraqi Republic or in transit by land, sea, air or river is allowed together with the suspension of payment of customs duties and other taxes and dues thereof.
- 2 - In the situations as provided in Para 1 of this Article, it is provided that guarantees to secure the (payment) of duties and taxes shall be submitted in cash, bank letters of guarantee or bailed guarantees according to instructions to be issued by customs Administration.

#### Article 84

Bailed guarantees and bank letters of guarantees shall be extinguished, and the secured duties and taxes shall be refunded when required according to discharge certificates in compliance with the terms determined by customs Administration.

### CHAPTER 2

#### GOODS IN TBANSIT

##### GENERAL BULES

#### Article 85

Goods of foreign origin may be transported under the status of transit, whether such goods entered through a certain point on the frontier to be departed from another point therein, or was dispatched from one customs office to another.

#### Article 86

No transit operation shall be made unless through customs offices which are permitted to do so.

#### Article 87

Goods in transit according to the status of transit shall not be subject to restriction or prohibition unless otherwise stipulated in the laws and regulations in force.

#### Article 88

Transportation of goods shall be made according to ordinary transit status on all routes

determined by customs Administration and in different means of transportation on the responsibility of the guarantor or the bailer.

#### Article 89

The provisions in respect of declaration and examination as stipulated in this law shall apply to goods referred to in Article 88.

#### Article 90

Goods transported according to the ordinary transit status shall be subject to the terms to be determined by customs Administration as regards the alignment of packages or containers, transport vehicles and the submission of sureties and other documents.

### I - THE PARTICULAR TRANSIT

#### Article 91

- 1 - transportation shall be carried out according to the particular transit status through railway authorities, organizations for the transportation by cars and aircraft permitted by a resolution of the Director General and on the responsibility of such authorities and organizations.
- 2 - (a) The resolution of permission shall contain the sureties ought to be submitted and all other terms. The Director General may halt such permission for a limited period of time or cancel it in case of a Breach of terms and instructions issued accordingly by customs Administration, or in mist-use of the particular transit status by committing acts of smuggling by transport vehicles permitted to.  
(b) The resolution to halt permission or cancel it for good shall be final, and shall not be liable to any means of impeachment or revision.

#### Article 92

Highways and routes which may be used for transportation according to particular transit status, terms of such transportation and conditions which must exist in transportation means shall be determined by a resolution from the Director General with the observance being concluded in this respect.

#### Article 93

Provisions in respect of procedures concerning declaration and detailed examination over goods being dispatched under particular transit status shall not be applied. In this respect, it is sufficient to have a brief declaration and aggregate examination, unless the customs department may deem it necessary to make a detailed examination.

#### Article 94

Provisions of the particular transit as provided in this law shall be applied when conventions that contain provisions of transit are to be applied, unless otherwise provided in such conventions.

### II- TRANSIT BY INTERNATIONAL DOCUMENTS

#### Article 95

- 1 - For companies and organizations licensed by the Director General,

- transportation under the status of transit between countries, is allowed after having submitted the guarantees as determined in the permit decision. Such transportation shall be made according to carnets or unified international documents in cars having particular specifications.
- 2 - Specimens of unified international documents or transportation carnets, permission matters and car specifications permitted for such transportation as provided in Para 1 of this Article shall be determined by the customs Administration.

### III- TRANSPORTATION FROM THE FIRST OFFICE TO THE SECOND OFFICE

#### Article 96

- 1 - In case of transportation from a first customs office to a second customs office the interested owners may be exempted from making a detailed declaration. In this case, they shall submit the following documents to the first office :
  - A) Road papers or bills of lading and other documents which may be determined by customs Administration.
  - B) A brief declaration of goods supported by a bailed guarantee whose specimen shall be determined by the customs Administration. Such brief declaration may be substituted by a manifest made in the country of the exporter.
- 2 - Customs officers may proceed for examination in the office of entry to be ascertained from the correctness of the contents of the brief declaration as provided in sub Para (b) of Para 1 of this Article.
- 3 - Transportation as provided in Para 1 of this Article shall be carried out over roads and routes being determined by a resolution of the Director General for this purpose and to be published in the official gazette.

#### Article 97

The brief declaration referred to in Article 96 of this law may be substituted by a memorandum to be made by customs officers at the office in cases and according to terms to be determined by the Customs Administration.

### CHAPTER 3

#### WAREHOUSES

#### GENERAL RULES

#### Article 98

Goods may be deposited in warehouses without paying duties and taxes within the terms as provided in this chapter. Such warehouses shall be of three kinds :

- 1 - A real warehouse.
- 2 - A private warehouse.
- 3 - An imaginary (formal) warehouse.

#### Article 99

All outlets of places specified for real warehouse shall be locked with two different locks, one key of which shall be kept with customs department and the other with the investing authority.

#### Article 100

- 1 - Goods shall not be accepted into all kinds of warehouse unless after submitting a declaration of warehouse to be made under the terms as provided in Article (55) and the subsequent Articles of this law. Examination shall be made according to the rules as stipulated in Article (62) and the subsequent articles.
- 2 - In order to control the movement of goods being accepted in warehouse, the customs where all operations related to shall be recorded therein, and shall be deemed as a reference to verify the stocks of warehouses as to their record.

#### Article 101

Customs Administration shall determine the terms of practical application for the status of different kinds of warehouses.

### I- THE REAL WAREHOUSE

#### Article 102

A real warehouse shall be established by a resolution from the Minister according to a proposal by the Director General. In such resolution, there shall be determined the place of warehouse, the authority in charge of management, terms of investment, storing fees, other expenses remuneration to be paid to the customs department, guarantees ought to be submitted and other rules relating to.

#### Article 103

Goods may be deposited in the real warehouse for a period not exceeding two years. It may be extended for another year if necessary on a request subject to a agreement by customs.

#### Article 104

In the real warehouse, no storing of specified contraband is allowed, nor explosive and the like articles, nor inflammable articles, products bearing false marks, goods the deterioration signs of which are visible, those the existence of which in the warehouse will lead to risks or damages to the quality of other products and goods where its keeping requires special installation and the bulk goods, unless such warehouse is earmarked for such purpose.

#### Article 105

The customs department may exercise control over real warehouse administered by other authorities. Customs department shall not be liable to any loss, shortage or breakdown attaching goods. The warehouse investing authority shall be liable solely for goods warehoused into according to provisions of the laws in force.

#### Article 106

The real warehouse investing authority shall replace owner of goods before customs department in all their obligations being arised for warehousing these goods in the same warehouse.

#### Article 107

1- the customs department, at the expiry of warehousing period, may sell the warehoused goods in the real warehouse if their owners did not move to re-export it or offer it for consumption.

2- The sale as provided in Pare (1) of this Article shall be carried out after 30 days from the date of notification of the investing authority.

The proceeds of sale shall be deposited after at rust with the treasury of customs department in order to be delivered to interested owners after submission of all necessary documents. The right of claim shall be abated after one year over the date of sale, and shall be entered as a conclusive revenue to the treasury.

#### Article 108

The following operation may be allowed in the real warehouse after obtaining the customs authority and under its supervision :

- 1 - Mixing foreign products with other foreign or local products with the intention of re-exportation only.  
Provided that, in such a case, special brands are put over the wrappers and a separate place for these products is allocated in the warehouse.
- 2 - Taking out wrappers, transference from one container to another, joining or disjoining of packages, carrying out all other acts with a view to maintaining the products, improving their appearance or facilitating their disposal.

#### Article 109

- 1 - Customs duties and other taxes shall be levied on the complete quantities of goods which was already warehoused. The warehouse investing authority shall be liable for these duties and taxes in case the emergence of an increase, shortage or loss of goods or changing therein, in addition to fines to be imposed by customs department.
- 2 - Customs duties, dues and other taxes shall not be payable if the shortage in goods or the loss was a result of force major, an act of God or a result of natural factors.
- 3 - Customs duties, other dues and taxes, and fines imposed on the excessive deflection, lost or substituted quantities shall re-main payable by the investing authority even if a causer who would be held liable is found.

#### Article 110

Transference of goods from a real warehouse or customs office allowed under declarations having bailed guarantees shall submit, within the period determined by customs Administration, certificates proving the entry of goods into the real warehouse or the customs office to be stored or put for consumption or under another customs status.

### II- THE PRIVATE WAREHOUSE

#### Article 111

Permission to established private warehouses may be given in places where customs offices are located should there be an economic necessity, or it is required to set up

special installations. The works of the private warehouse shall be liquidated by law when the customs office is cancelled within a period not exceeding 3 months.

#### Article 112

The license to establish private warehouse shall be issued by a resolution from the Minister, where the location of such warehouse the remuneration to be paid annually, guarantees to be submitted prior to work and other related provisions are to be.

#### Article 113

Goods warehoused in the private warehouse shall be forwarded at every requisition by the customs department. Duties and taxes shall be calculated against the quantities of goods being entirely warehoused, unless from natural factors, le...., evaporation, drought or the like, in addition to fines imposed by customs department.

#### Article 114

The stay of goods in private warehouse shall be limited to a period not exceeding one year. It may be extended for another year if necessary on request subject to approval by Customs Administration.

#### Article 115

The provisions of Articles (104), (106) and (109) of this law shall apply to the private warehouses.

#### Article 116

Deteriorated goods shall not be allowed to be warehoused in the private warehouse; and the contrabands shall not be warehoused in it unless by a special approval from the Director General.

#### Article 117

- 1 - No apportionment shall be allowed for any operation in the private warehouse unless for the reservation of goods. Such operations shall be carried out by an approval from the customs department and under its surveillance.
- 2 - Some exceptional operation may be allowed in the private warehouse by a resolution from the Minister. The terms of these operations and rules to be followed in subjecting their products to duties and taxes when they are put under consumption will also be determined by a resolution from the Minister.
- 3 - Rules as provided in customs tariff and other statutory stipulations in respect of duties and other taxes shall be observed in all cases as stipulated in Para 1 and 2 of this Article.

### III- THE IMAGINARY WAREHOUSE

#### Article 118

- 1 - Some of the goods to be determined by a resolution, from the Minister may be warehoused under the status of the imaginary warehouse inside mercantile stores and private shop in towns and places where customs offices are located.

- 2 - The license to established the imaginary warehouses shall be issued by a special resolution from the Minister, in which the location of such warehouse, terms ought to be available, guarantees to be produced, the annual remuneration imposed and acts to be allowed shall be determined therein.
- 3 - The assets of the imaginary warehouse shall be liquidated inferentially, and the records, thereof shall be settled when the customs office is abolished within a period not exceeding 3c months over the date of abolishment. Owner of the warehouse shall do what is required.

#### Article 119

The period of warehousing in imaginary warehouses shall be limited to no more than one year. It may be extended for a period not exceeding one more year when necessary with the approval of the customs department.

#### Article 120

The customs department may practice control over imaginary warehouses. Owner of such warehouses shall be answerable for goods warehouses therein.

#### Article 121

Provisions of Articles 107 and 113 of this law shall apply to imaginary warehouses.

### CHAPTER 4 FREE ZONES

#### Article 122

It may be allowed, by a resolution from the Minister, after taking the opinion of the Ministry of Trade and other competent authorities, the establishment of free zones and shops by earmarking parts of havens and internal locations to be considered outside the customs area.

#### Article 123

- 1 - All foreign goods of any kinds, and whatever its origin, may be allowed to enter or depart from free zones and shops into non customs area without being subject to restrictions of importation, re-exportation, foreign exchange, prohibition, duties and taxes except what is imposed of services dues or fees for the interest of investing authority, with the observance to the provisions of Article 124 of this law.
- 2 - National goods or that which acquired such character by putting it under local consumption, are allowed to enter the free zone or shop, provided that it will be subject to restrictions of exportation, prohibition, foreign exchange, customs duties and taxes that are imposed when exported abroad, in addition to what is imposed for the interest of investing authorities of services, dues or fees.
- 3 - Provisions of Pare 1 of this Article shall be implemented according to instructions to be issued by the Minister in which the terms and reservations related to application shall be determined.

- 4 - The resolution to establish free zones and shops shall incorporate their limits, area, sureties ought to be submitted by the investing authority, remuneration ought to be paid annually to customs Administration and the period of its investment, mod of fencing, means of controlling thereof, the terms of such investment and the regulation thereof.

#### Article 124

The following goods shall in no way enter free zones or shop :

- 1 - Goods prohibited by reason of contradiction to public order, to be specified by competent authorities and to be published in the official Gazette.
- 2 - Malodorous or inflammable goods, except fuels necessary for investment works which may be allowed by the investing party according to terms to be determined by it.
- 3 - Weapons, ammunition and explosive what so ever being their kind.
- 4 - Goods contravening the laws in respect of the production of commercial, industrial, literary and technical ownership.
- 5 - Narcotics of all kinds and derivative.
- 6 - Goods whose origin is a country which the state decided to boycott it.

#### Article 125

- 1 - The investment of free zone or shop shall be carried out by the authorized party according to laws and regulations. The customs Administration may carry out the investment of the free zone or shop according to investment conditions to be determined by the Minister.
- 2 - The investing party for the free zone or shop shall submit to customs department a list of all what shall be entered to the free zones or shop or departing there form within 36 hours from the date of entry or departure.

#### Article 126

- 1 - Goods existed in the free zone or shop shall not be subject to any restriction as to the storing period.
- 2 - Dues or free of services in the free zone or shop shall be paid periodically to customs department if it carry's out the investment by itself according to the terms being determined for. In case owners of goods delay to square up these dues or fees, the customs department may sell the goods and deduct what is due to from the proceeds of sale, and the rest to be left as a trust in its treasury to be delivered to the interested owner. The right to claim with shall be elapsed after the passing of one year from the date of sale, and shall be recorded as a final revenue to the Treasury.
- 3 - Dues or fees services in the free zone or shop shall be collected by the investing party from those other than Customs Administration according to rules to be determined by such party.

#### Article 127

Free zones and shops may be abolished or their limits may be altered by a resolution from the Minister according to a proposal by Director General, and after obtaining the opinion



of the Ministry of Trade and other competent authorities. In this resolution the period being required by the works to liquidate such free zones and shops shall be determined according to provisions of this law.

#### Article 128

All works upon goods in the free zones and shops may be allowed, especially in respect to its grouping, partition, maintenance, liquidation and such other works. Industrialization processes may be allowed too, subject to the provisions of Article (129) of this law.

#### Article 129

- 1 - In the free zones, industrial organizations may be allowed to be established, extended or the alteration of their industrial purpose by a license from the Minister of Industry and Minerals or Minister of Light Industries after taking the opinion of a commission consisting of :
  - a) A representative from the Ministry Industry and Minerals.
  - b) A representative from the Ministry of Light Industries.
  - c) A representative from the Ministry of Trade.
  - d) A representative from Customs Administration.
  
- 2 - The kind of the industrial organization, takes it will carry out, machineries it will utilize, safety precautions to be taken by it and places that will occupy shall be determined in the license as provided in Para 1 of this article.

#### Article 130

The customs department may carry out acts of inspection in free zones and shops to search for goods which are prohibited to enter these areas. It may also examine the documents and uncover goods if smuggling operations are suspected.

#### Article 131

Landing of goods by sea to the free zone or shop, or its entry by land, shall not be allowed unless by a permit from the investing party. Nor shall be allowed the dispatching of goods located in the free zone or shop to another free zone or shop, depots or warehouses unless under declarations having bailed guarantees towards customs department.

#### Article 132

Withdrawal of goods from the free zone or shop shall be carried out according to the provisions of this law together with investing rules and instructions issued by Customs Administration.

#### Article 133

- 1 - Goods departing from the free zone or shop inward shall be treated as if it foreign goods even if contained laical raw materials or classes on which duties and taxes were paid prior to the entrance to the free zone or shop, unless it is of returned goods as provided in Article 163 of this law.

- 2 - The provisions of Article 32 of this law shall be applied in cases where the customs department in the free zone or shop is unable to know the origin of goods satisfactorily concerning the application of Pare (1) of this Article.

#### Article 134

Foreign goods in free zones and shops are not allowed to be consumed for personal use before paying customs duties and other dues and taxes imposed upon. No dwelling in these zones shall be allowed unless by permission from the Director General according to the requirement of work.

#### Article 135

National and foreign vessels are allowed to be supplied by all marine equipments they need. National and foreign vessels too, having a tonnage not exceeding 200 marine tons are allowed to be supplied by food stuff, tobaccos, liquors, fuels and oils necessary for their instruments.

#### Article 136

The investing party for free zones and shops shall be held liable for all contraventions committed by their officials and the illegal infiltration of goods there from. The provisions of laws, regulations in respect or security, morals, public health, smuggle combating and adulteration shall stay valid.

### CHAPTER 6

#### TEMPORARY ENTRY

#### Article 137

Payment of customs duties and other dues and taxes on goods imported with the intention to industrialize or complete its manufacture, may be suspended temporarily for a period of one year, extendable; provided that their owners shall undertake to re-export it or put it into customs depots, warehouses or free zones. Goods enjoying such status and industrial processes which may be applied upon, period of disbursement or other terms shall be determined by a resolution from the Director General.

#### Article 138

- 1 - Customs Administration may grant, as an exceptional case, temporary entrance for the following properties :
  - a) Machineries, apparatus, equipments and automobiles necessary for the performance of the projects of state departments, socialist sector, mixed sector and to carry out scientific and applied experiments.
  - b) Machineries, apparatus, transport vehicles and other equipments brought for the intention to be repaired.
  - c) What is imported temporarily for stadiums, theaters, exhibitions and the like.
  - d) Goods required for temporary entry to be industrialized or to complete its industrialization which are not covered by the provisions of Article 137 of this law.
  - e) Commercial samples according to the terms to be determined by Customs Administration.

- f) Containers and wrappers brought for the purpose of backing and enveloping articles allowed to be exported.
  - g) Animals brought for grazing.
  - h) Articles deemed by the Director General as of advantage to be covered by temporary entry in cases other than stipulated in this Article.
- 2 - Goods stated in Pare 1 of this Article shall be re-exported within 6 months extendable according to what is determined by Customs Administration.

#### Article 139

Terms of the temporary entry as regards properties of whatever kind belonging to arriving persons who desire to reside temporarily shall be determined by Customs Administration, provided that they shall be re-exported within one year, extendable.

#### Article 140

Temporary entry shall be applied to cars belonged to persons arriving to the country for a temporary residence whether brought with them or bought from customs depots, warehouses or free zones according to the terms to be determined by Customs Administration.

#### Article 141

- 1- Cars registered in Arab and foreign countries that transport passengers and goods between the Iraqi Republic and other countries shall get benefit of the temporary entry according to provisions of this law, provided that treatment shall be in reciprocal-city, or according to provisions of agreements concluded for this purpose.  
Be carried out by cars referred to in Para 1.
- 2- Domestic transportation shall in no way of this Article.
- 3- Some provisions of this Article may be excepted by a resolution from the Minister.

#### Article 142

Car's and motor-cycles' whom the ordinary residence is located outside the Iraqi Republic, which are related to tourist organizations accepted by Customs Administration may get benefit from temporary entry for their cars and motor-cycles according to special tourist papers (trip-toque) or carnets to be issued by these organizations, bearing, accordingly, the liability for customs duties and other dues and taxes payable in lieu of there owners.

#### Article 143

Provisions of international conventions in respect of temporary entry for cars and customs facilities granted to tourists according to instructions issued by the Customs Administration shall be observed.

#### Article 144

The customs Administration may decide to grant temporary entry to the cars of officials

and exports of the League of Arab state and its subordinate organization, the council of Economic Unity, Arab Popular organizations, United Nations Organization and its Agencies assigned to work in the Iraqi Republic.

#### Article 145

Properties being accepted under the status of temporary entry shall not be allowed to be used, earmarked or disposed of unless for purpose and ends for which they are imported and declared upon in the statements submitted in this respect.

#### Article 146

Any shortage which may arise at the disbursement of temporary entry's accounts shall be subject to duties and taxes levied under the provisions of Article 16 of this law.

#### Article 147

Terms of practical application for the statues of temporary entry and the guarantees to be submitted shall be determined by Customs Administration.

#### Article 148

The Customs Administration may allow to put the accepted properties in temporary entry under consumption after the observance of the provisions of laws and regulations in force.

### CHAPTER 6

#### Article 149

- 1 - Goods entered the Iraqi Republic that was not put under consumption may be re-exported abroad or to a free zone or shop according to rules and procedures to be determined by Customs Administration.
- 2 - The status of re-exportation shall apply to the following :
  - a) Goods located in the customs depots.
  - b) Goods being accepted under one of the statuses of warehousing or temporary entry.
  - c) Goods being put under consumption which are exempted from dues and taxes in whole or in part when exemption is ceased for any reason.

#### Article 150

Transshipment of goods from one vessel to another or the withdrawal of goods which were not entered in customs depots from wharves to vessels may be permitted according to terms to be determined by Customs Administration.

### CHAPTER 7

#### DRAWBACK WHEN RE- EXPORTATION

#### Article 151

- 1 - Customs duties, other dues and taxes collected from some foreign articles included in the manufacture of national products may be refunded as a drawback in part or in whole when re-exported abroad. Such articles shall be determined by

- a resolution from the Ministers of Trade, Industry and Minerals and Light Industry.
- 2 - In the resolution of the Minister issued under paragraph 1 of this Article, the following shall be determined:
- a) Kind of duties to be refunded as a drawback and the rate refundable for each articles.
  - b) Conditions ought to be available to refund such duties.

#### Article 152

- 1 - Customs duties and other dues and taxes may be refunded as a drawback in part or in whole for goods re-exported after offering them for consumption which have no equivalent in local production. The Minister, after taking the opinion of the Ministers of Trade, Industry and Minerals and Light Industries, shall determine the kinds of such goods and the rate to be refunded of such duties and taxes and the terms under which provisions shall be applied.
- 2 - Customs duties, other dues and taxes shall be refund Ted as a drawback for goods re-exported on the grounds of discrepancy in its specifications within the terms, periods and reservations to be determined by Customs Administration.

### PART 9

#### SHORE NAVIGATION AND INTERNAL TRANSPORTATION

##### Article 153

Local goods or that which gained such a character by way of plying taxes and duties, which are transported between ports of the country, shall not be subject to taxes and duties imposed on import or export, except the dues and charges for services under the terms to be determined by Customs Administration.

##### Article 154

Applications of interested owner to hand over the documents proving the payment of duties and taxes, completion of formal procedures, documents that permit the transportation, roving or the possessing of goods for the purpose of the application of the provisions of Article 153 of this law shall be responded by Customs Administration under the terms to be determined by it.

### PART 10

#### EXEMPTION

##### Chapter 1

#### SPECIAL EXEMPTIONS

##### Article 155

- 1 - The following shall be exempted from customs duties and other dues and taxes :-
  - a) What is imported to the president of the Republic on his personal capacity and what is imported for the Chairmanship of the ( office) of president of the Republic.
  - b) Grant and donations received by state departments, socialist sector and popular organizations.

- 2 - Customs Administration shall determine the terms and procedures ought to be completed to have benefited from exemption as provided in Pare 1 of this Article.

## Chapter 2

### EXEMPTIONS IN RESPECT OF DIPLOMATIC AND CONSULAB CORPS

#### Article 156

- 1 - The following shall be freed from customs duties, dues and taxes. They shall be subject to be examined when necessary, under the knowledge of Ministry of foreign Affairs :
  - a) what is received for personal use by heads and members of Arab (non- Iraqis) and foreign diplomatic and consular corps working in the Iraqi Republic whose names are enumerated in the lists issued by the Ministry of Foreign Affairs and also what is received by their spouses and minor children.
  - b) What is imported by embassies, legations and consulates (except honorary) for office use, except food stuffs, alcoholic beverages and tobaccos.
  - c) What is received for personal use, in compliance with examination procedures, such us personal luggage's, household furniture and utensils for administrative officials of non-Iraqis working with diplomatic and consular missions who get no benefit from exemption adopted, provided that such importation shall take place within 6 months from the arrival or the one who benefited from such exemption. This period may be extended for further 6 months by the approval of the Ministry of Foreign Affairs.
  - d) Consumer articles imported by staffs of the specialized agencies as provided in Article 6 of the AGREEMENT OF PRIVILEGES AND IMMUNTIES FOR THE SPECIALIZED AGENCIES as sanctioned by law No. 6 of 1954; and Article 5 of the AGREEMENT of PRIVILEGENS AND IMMUNITES FOR THE UNITED NATIONS as sanctioned by Law No. 14 of 1949 in respect of their five Diners a month for each one of them.
- 2 - Importations being exempted under Para 1 of this article shall be in proportion with the actual needs and within a reasonable limit.
- 3 - Persons covered by sub-Para "c" Para "1" of this article shall be given the status of temporary entry for their cars for a period not exceeding 3 years extended by an approval from the Ministry of Foreign Affairs.
- 4 - Exemptions as provided in this article shall be granted according to a request by the head of the diplomatic or consular mission in compliance to what is required.

#### Article 157

- 1 - Properties being exempted under provisions of article 156 of this law shall in no way be disposed of for the purpose other than that which was exempted for, nor to be assigned to, unless after notifying Customs Administration and paying customs duties, other dues and taxes according to the conditions of these properties and their value at the date of disposal or assignment and according to the tariff in force at the date of registering the declaration to pay such dues and taxes. The beneficiary party shall in no way deliver the completion of customs procedures and obtaining permission of delivery from the customs department.

- 2 - Those covered by the provision of sub-Para “c” of Para “1” of article 156 of this law who benefited from the status of temporary entry for their cars may, at the expiration of periods given to them or at the end their task, relinquish them to those who benefit of the right of temporary, entry we-exportation or selling them after paying the entire dues and taxes according to the tariff and regulations in force on the day of registration of the declaration statues for consumption and according to the value of the car at the date of assignment there from.

#### Article 158

The right of exemption as regards persons who benefited from under article 156 of this law shall being from the date of starting in their official work headquarters in the Iraq Republic.

#### Article 159

Privileges and exemption as provided in article 156 of this law shall not be granted unless the legislation of the state where the diplomatic or consular mission or their members who are belonged to, grants the same privileges and exemptions or the better to Iraqi missions and their members. Otherwise ], privileges and exemptions shall be granted within the limits as applied in the state concerned.

#### Article 160

Every official of diplomatic or consular service working in diplomatic or consular missions who has already benefited from an exemption shall through Ministry of Foreign Affairs when transferred to the Iraqi Republic, submits a list of his household furniture's, personal effects and cars he previously had entered them into customs department in order to get permission to clear them. The customs department may carry out a survey for such purpose if necessary, provided that it shall be done with the knowledge of Ministry of Foreign Affairs.

### Chapter 3

#### MILITARY EXEMPTIONS

#### Article 161

- 1- The following shall be exempted from customs duties and other dues and taxes :
  - a) What is imported for the armed forces and internal security forces of ammunitions, weapons, supplies, medical articles, transport vehicles and clothing's whether the importation was directly made or for its account, and what is imported by Customs Administration of these articles for the implementation of control purposes.
  - b) Properties, military and non-military concerns received by Palestinian commando organizations, Arab liberation movements in Iraq by any Arab or foreign state, or one of the authorities, juristic or natural persons by way of aid, gift or purchase to be used by such organizations in guerrilla warfare after obtaining the approval of the Revolution Command Council.
- 2- Imported articles as referred to in sub-Pare (a) of Para (1) of this Article

shall be sold free of customs duties, other dues and taxes. The sale or the assignment there from shall be made in case of being inefficient to be used according to terms to be set by the Minister concurrently with the proper Minister. The proceeds of sale shall be devolved to the Treasury.

#### Chapter 4

#### PERSONAL LUGGAGE AND HOUSEHOLD FURNITURE

##### Article 162

- 1 - With the exclusion of cars, the following articles shall be freed from customs duties, other dues and taxes :
  - a) Personal luggage, household utensils and furniture belongs to Iraqis and persons arriving to reside in Iraq;
  - b) gifts, personal luggage and apparatuses belonging to travelers being prepared for personal use;
  - c) Furniture's and personal luggage's that were already exported when returned with their owners whose original residence is in the Iraqi Republic.
  
- 2 - the extent of exemption as provided in Para 1 of this Articles shall be determined by a resolution from the Minister, together with reservations and conditions ought to be available to be granted . he may exclude some luggage's and furniture from exemption.

#### Chapter 5

#### GOODS TURNED BACK

##### Article 163

- 1 - With the proves to refund the drawbacks which were already refunded on exportation, the following shall be freed from customs duties and other dues:
  - a) Goods turned back, which proves explicitly that its origin is domestic.
  - b) Goods and wrappers which gained the domestic character by way of paying dues and taxes which shall be temporarily exported then re-imported.
  
- 2 - Customs duties, other dues and taxes for goods temporarily exported to complete its manufacture, repair or for any other purpose shall be paid within the limits to be provided by resolution from the Minister.
  
- 3 - Customs duties, other dues and taxes which were already paid for goods mentioned in Para 2 of this article may be refunded as a draw- back when re-exported under the provisions of law.
  
- 4 - Customs Administration shall determine the terms and reservations ought to be available for the application of the provisions of this article.

#### Chapter 6

#### MISCELANEOUS EXEMPTIONS

##### Article 164

The following articles shall be freed from customs duties, other dues and taxes under the terms and reservations to be determined by the Minister.



- 1- Commercial samples.
- 2- Provisions, fuel materials, lubricating oils, spare parts and the necessary requirements for vessels of the high seas, aircrafts and also what is required to be used by their passengers and crews in their outward-bound voyages, the limits of reciprocity.
- 3- Publicity matters and brands prepared for advertisement.
- 4- Articles imported by foreign participating in international exhibitions being established in Iraq which are to be used for purposes of publicity, hospitality, parties, installing pavilions for exhibition and decoration thereof, provided that the total customs duty to be exempted shall not exceed 300 Dinars for every country.
- 5- Personal properties and things devoid of any commercial character such as medals, athletic and scientific prizes.

#### Article 165

- 1 - The following parties shall be freed from customs duties, other dues and taxes for donations, grants and gifts they have received which are deemed as requirements to have their installations executed and equipped and to exercise their tasks :
  - a) Mosques, masjids. Churches, monasteries and other places of worship.
  - b) Universities, teaching institutes, schools, kindergartens and nurseries.
  - c) Orphanages, infirmaries, centers for the welfare of disabled, blinds, handicapped and philanthropic societies.
  - d) Hospitals, dispensaries and health centers, whether governmental or subordinate to philanthropic authorities which render their services free of charge.
  - e) Means of rehabilitation, conveyance of disable and handicapped for persons and specialized institutions according to the terms worked out by the Ministry of health.
  - f) Departments and fire brigades subordinate to state departments and socialist sector.
- 2 - The extent of exemption coverage as provided in Para 1 of this article together with exceptions there from and the terms ought to be available to be granted, shall be determined by a resolution from the Minister.

#### Article 166

- 1 - The following shall be exempted from customs duties and from other dues and taxes, on the proviso of reciprocal treatment :-
  - a) Spare parts for officially licensed aircrafts, and their articles, pieces and the necessary instruments thereof.
  - b) Supplies and fuels consumed by or furnished to vessels and dinging cars of trains arriving from aboard and officially licensed aircrafts.
- 2 - Customs Administration shall determine the coverage of such exemption, terms

and the necessary reservations to be granted.

#### Article 167

Save the reservations which may be imposed by Customs Administration in respect of personal luggage's, household furniture, personal effects and cars, provided in this PART shall be applied to goods and articles, whether directly imported or purchased from customs depots, warehouses, free zones or shops.

#### Article 168

- 1 - Exemptions as provided in the laws in force shall be applied according to the contents of such laws.
- 2 - In all cases, the disposal of properties and things which were exempted under the laws referred to in PARA (1) of this article shall in no way be allowed unless within the provisions as provided in Article 157 of this law, unless otherwise provided by a particular provision.

### PART 11

#### SERVICES DUES AND CHARGES

#### Article 169

- 1 - Goods laid on yards, depots, warehouses and free zones managed by the customs department shall be subjected to dues and storing charges, leverage, insurance and other services required by the processes of storing goods and the protection thereof, storing charges ought to be paid shall in no way exceed one half of the goods value.
- 2 - Goods may be subject to dues and charges of stacking, buttoning, sealing analysis and all other services to be rendered by customs departments.
- 3 - Dues and charges referred to in Para 1 and 2 of this article, together with the terms of its collection, conditions of reducing exemption there from shall be determined by a resolution from the Minister.
- 4 - Prices of publications rendered by Customs Administration from the Minister.

#### Article 170

Overtime charges for the work done by customs officials and workers for the account of interested owners at time other than office working hours or outside customs percent shall be determined by a resolution from the Minister. Such resolution shall include rules to distribute the proceeds and locate those who are benefiting there from.

#### Article 171

Dues, prices and charges as provided in article 169 and 170 of this law shall not be included within the scope of exemption from fees or the draw back.

### PART 12

#### CUSTOMS CLEARANCE

#### Article 172

Declaration for goods in the customs department and the completion of customs procedures for them shall be accepted from the following persons, whether for import,

export or other customs situations:

- 1 - Owner of goods or their employees delegated by them having such conditions as may be determined by Customs Administration.
- 2 - Licensed customs clearing agents,
- 3 - Customs officials in cases as determined by customs Administration.
- 4 - Staffs of the state from those nominated for this purpose under guidelines to be issued by a resolution from the Minister.

#### Article 173

- 1 - Persons mentioned in article 172 of this law shall produce the delivery order in respect of goods.
- 2 - The endorsement of the delivery order in the name of a customs clearing agent or an employee to owner of goods shall be deemed as an authorization to accomplish customs procedures. The delivery of goods to whom delivery order is endorsed shall make no liability against the customs department.

#### Article 174

Every person, natural or juridical, practicing the profession of making customs declarations, signing and submitting them to the customs department and accomplishing the procedures in respect of clearing goods for the account of others shall be deemed as a customs clearing agent.

#### Article 175

- 1 - No person, whether natural or juridical, shall practice the profession of customs clearing agency unless after obtaining a license from Customs Administration.
- 2 - The terms ought to be available to grant the license referred to in Para (1) of this article, and the duties in which clearing agents and the committee which is seeing their contraventions and the penalties to be imposed in this respect shall be determined by a resolution from the Minister.

### PART 13

#### POWER OF CUSTOMS OFFICIALS AND THEIR OBLIGATIONS

#### Article 176

- 1 - For the purpose of this law, customs officials shall exercise the authority of judicial control members within the limits of their competence. They shall not be referred to courts of law for reasons in respect of function discharged by them unless by the approval of the Minister.
- 2 - Customs officials referred to in Para (1) of this article shall receive, when a pointed, at a delegation for service, to be issued by the Director General. They shall bear such a delegation when they do their job and shall produce it when required.
- 3 - Customs officials referred to in Para (1) of this article at the start of their appointment, shall swear in before the court of first instance in the directly they were appointed, the following :-

“ I SWEAR BY THE ALMIGHTY GOD THAT I SHALL DICHARGE THE DUTES OF THE POSITION BY ALL SINCERITY, OBJECTIVITY AND TRUST WORTHINESS”

Article 177

Civil authority, armed forces and internal security forces shall render all the support to customs officials and the policemen thereof to perform their task immediately after their request. The customs department shall render its assistance to state departments and the socialist sector.

Article 178

Customs officials, whose nature of works requires so, may be allowed to carry weapons. Such officials shall be designated by a resolution from the Director General after the approval of Minister of the Interior.

Article 179

Every official in the customs or in the customs police who is leaving his position for any reason, shall bring back forthwith to his immediate superior, the delegation referred to in Para 2 of article (176) of this law and all registers, supplies and any other else which is under his possession.

PART 14

CUSTOMS BELT AND THE SEARCH FOR SMUGGLING

Chapter 11

THE CUSTOMS BELT

Article 180

The specified contraband, goods that are subject to highest rate of duties and others of which to be determined by a resolution from the Director General and published in the official Gazette, shall be subject to the provisions of the CUSTOMS BELT.

Article 181

- 1- For goods being subject to the provisions of the Customs Belt, it is provided that they would be accompanied, when conveyed in wards by a consignment note to be issued by the customs department under the terms to be determined by the Customs Administration. The passion of goods subject to the provisions of the Customs Belt may be confined to places to be determined by a resolution from the Director General. Save such places, no other depot for the said goods shall be allowed.
- 2- The place where large or small bales other parcels and packages are located, shall be deemed as if it is a depot when such existence is not supported by a formal document.
- 3- The ordinary needs which may be obtained for consumption within the Customs Belt, shall be determined by the proper customs department.

#### Article 182

Conveyance of goods that is subject to provisions of the Customs Belt the possession there of or roving inside its boundaries in an irregular manner shall be considered as falling under the emprehension of smugglings by way of importation or exportation, unless the contrary is proved.

#### Chapter2

#### THE SERCH FOR SMUGGING

#### Article 183

- 1 - Customs officials and the officers thereof who are in charge to combat smuggling under the provisions of this law may halt transport vehicles, examine goods and search persons within the limits of rules to be determined by the Director General under the provisions of this law and other force in force.
- 2 - The searching of persons in the frontiers incase of entry or departure shall be according to bases being determined by laws and regulations in force. Otherwise, the searching of persons physically shall not be allowed unless in case of flagrant delicto offense or an information supported by a preliminary proce- verbal.
- 3 - Drivers of transport vehicles shall comply with the orders to be leveled to them by customs officials and police officers to halt. They may use all the necessary means when drivers of transport vehicles refuse to comply with their orders, including firing at the air for two consecutive times as a warning. When no such compliance to customs official or police officer in charge to command the column, he may order the firing at such transport vehicle on the proviso that reasonable grounds exist that would lead him to believe that such transport vehicle carry's smuggled good.

#### Article 184

Customs officials may seek the help of their policemen when necessary to board all vessels located in ports, whether entering to or departing from, and to stay there until the complete discharging of cargo or the shipment thereof. They may order to open hatchways of the vessel, rooms, safes and parcels laden in; and to place lead seals over goods being restricted, livable to highest rates of duties and the specified contraband; and to demand, from masters of vessels, to produce an invoice for such goods at the entry to such ports.

#### Article 185

Customs officials may seek the help of its policemen when necessary, boarding the vessels inside the Customs Belt to be searched or to demand the submission of the manifest and other documents ought to be submitted under the provisions of this law. In case the refusal to submit such documents or being not existed, or the suspicion that smuggled goods or contraband exist, they may take all the necessary measures, including the use of force to seize the goods and lead the vessels to nearest customs office.

#### Article 186

- 1- The search for smuggling, seizing goods and the probe in customs offences in respect of all goods along the country's territory, may specially

be allowed in the following places:

- a) Inside land and marine customs belt.
  - b) Inside customs precinct, ports and aerodromes and generally in all places which are subject to customs control including real, private and imaginary warehouses.
  - c) Outside land and marine customs belt in order to hunt and chase smuggled goods when they are seen inside the belt in a condition that may prove that they are intended to be smuggled.
- 2- To proceed with the search, seizing the goods, the investigation in offences linked to dutiable goods other than specified contrabands, contrabands, or those suspended and goods being subject to highest rate of duties outside places as determined in Para 1 of this Article, it is provided that customs officials have such evidences that prove smuggling, on the provision that it must be confirmed by a preliminary minutes. As for specified contraband, contraband or that which is subject to highest rate of duties should their possessors or conveyors can not prove their proper importation by different means of evidence which are determined by Customs Administration, then it shall be deemed under the intendment of goods that entered by way of smuggle, unless the country is proved.
- 3- Second-hand properties and personal effect which are determined by the Director General al in a special resolution, shall be excepted from the provisions of this Article.
- 4- Officials shall not be answerable for seizures made under Para 2 of this Article should the offense was not proved, except in case of a grave mistake.

#### Article 187

- 1 - Customs officials and police officers thereof, when they are charged to carry out investigation, may examine shipping documents, invoices, commercial correspondence, contracts, registers and all documents and instruments whatsoever relating directly or indirectly to customs processes. When necessary, they may take over same at railway stations, airways and overland transport companies, navigation agencies and customs clearing agents, those to which goods were dispatched, consignors, all natural and juridical persons who have relation with customs operations.
- 2 - Persons, establishments, companies and agencies mentioned in Para 1 of this Article shall keep register, documents and instruments in relation to customs procedures for a period of five years.

#### PART 15

#### CUSTOMS OFFENCES

#### Article 188

Customs fines and confiscations as provided in this law shall be considered as a civil

compensation for the Customs Administration. They shall not be covered by the provisions of amnesty laws unless otherwise explicitly provided.

#### Article 189

Provisions of Article 141, 142 and 143 of the penal code shall be applied in case of multiplicity of customs offences.

#### Article 190

For the purpose of inflicting a certain rate of customs fine, it is intended by the word “duties”, such customs duties, other dues and taxes which are collected by Customs Administration and to be entered as a revenue to the treasury.

### Chapter 1

#### SMUGGLING OFFENCES

#### Article 191

“Smuggling” shall mean the entry of goods to Iraq or the departure there from in a manner contrary to the provisions of this law without paying customs duties, dues or other taxes, in whole or in part, or contrary to provisions of prohibition and restriction as provided in this law and other laws in force.

#### Article 192

The following shall be construed under the intendment of “smuggling” :-

- 1- Non-heading of goods, at entry, to nearest customs office.
- 2- Non-compliance of follow the routes as determined by this law as to the entry or departure of goods.
- 3- Discharging of goods from or loading on the vessels contrary to the provisions of this law, and in places other than that being determined as ports to discharging or loading of goods.
- 4- Discharging of goods from, or loading on aircraft illegally outside aerodromes specified for this transport country to the provisions of this law.
- 5- Non-declaration, at the office of entry or departure, of goods imported without a manifest including what is brought by passengers.
- 6- The uncovering of goods not declared at the customs office and placed inside hideouts specially prepared to be hidden inside cavities or vacuities not earmarked in general to contain such goods.
- 7- Goods surpassing customs offices without being declared in cases of entry or departure.
- 8- What is discovered, after the departure of goods and articles from the office of customs entry, of an increment, shortage or substitution of packages, places or their contents of goods and articles conveyed from one customs office to another or that which conveyed in transit.
- 9- The non-submission of documents being determined by Customs Administration to discharge guarantees and bails already taken for the declaration of suspended statuses of duties as provided in PART 8 of this law.

- 10- Clearing of goods from free zones and shops, customs depots and warehouses without transactions.
- 11- Enumerating untrue information's for goods stated in the declarations of entry or departure with the intention to evade customs duties or other dues and taxes, wholly or partly, or with the intention to import or export contrabands, or goods whose importation or exportation is restricted, or the manipulating amount of the currency being specified in the import or export license.
- 12- Submitting forged documents or invoices, or that which contain untrue information's, or putting false brands with the intention to evade customs duties or other dues and taxes, wholly or partly, or evading the rules of prohibition, restriction or bounding of goods or the exportation thereof.
- 13- Transportation of goods being subject to the provisions of Custom Belt, within such belt and without a proper document.
- 14- The non-reimportation of goods the exportation of which is banned or limited which were exported temporarily for any purpose.
- 15- Committing any act with the intention to evade the payment of customs duties, other dues and taxes, partly or wholly, or from the rules or prohibition, restriction or bounding of importation.

#### Article 193

In the criminal liability, it is provided that a criminal intention must exist. In the limitation thereof, criminal provisions in force shall be observed. He will be considered as the principle offender whoever is :

- 1 - the accomplice
- 2 - the possessor of the smuggled article
- 3 - the owner of transport vehicle which was used in smuggling the driver and his second
- 4 - the owner or the tenant of shops and places where the smuggled article is deposited into or that which is benefited from.

#### Article 194

- 1 - without prejudice to any server penalty as provided by the laws in force, there shall be punished, for smuggling and that which is under its intendment and for the attempt to one of them, by the following :
  - a) Imprisonment for a period not less than one month, nor exceeding five years and with a fine not exceeding 3000 (three thousand) Dinars or by one of the two penalties.
  - b) A customs fine, being a civil compensation to the Customs Administration under any of the following rates :
    - 1 - Six folds of the value for specified contrabands.
    - 2 - Three folds of the value and duties together, for contrabands, goods being suspended or restricted.
    - 3 - Four folds of duties for dutiable goods, should it not contraband, suspended or restricted, provided that it shall not be less than its value.



- 4 - 25% of the value for goods not dutiable which are not contraband, suspended or restricted.
  - c) Confiscation of goods which is the subject of the smuggling offence or to adjudicate by the equivalent of its value if it is not seized. Confiscation of transport vehicles, tools and materials used in smuggling may be adjudged, except vessels and aircrafts, unless they are prepared or hired for such purpose, or the judgment with the equivalent of its value should it not be seized.
- 2 - judgment by doubling the penalties referred to in subparts “a and b” of Para 1 of this article may be allowed if those being liable for smuggling have past smuggling records.

#### Article 195

- 1 - a) By a resolution from proper customs officials designated by the Director General. A customs fine not exceeding the limits as provided in sub-Para “b” of Para 1, Article 194 of this law shall be imposed against imported or exported goods by way of smuggling, the value of which is less than 300 (three thousand) diners and which is not a specified contraband. They have the right to confiscate goods which are the subject of the smuggling offence, or to adjudge with the equivalent of its value if not seized. The decision being passed in this respect shall be impeachable under article 240 of this law.
  - b) if the transport vehicle used in smuggling was modified, prepared or hired for this purpose, such vehicle shall be referred by the Director General or whoever he authorizes to the Customs Court. The court may apply its power as provided in sub-Para “c” of Para 1 of article 194 of this law.
- 2 - the seized goods may be restored to its owners, partly or wholly after paying the fine as provided in Para 1 of this article and other dues and taxes, provided that the restrictions as stipulated by the laws in force shall be observed.

#### Article 196

The Director General or whoever he authorizes shall order the confiscation of the seized smuggled goods and transport vehicles if the smugglers escape or can not be found.

#### Chapter 2

#### OFFENCES IN RESPECT OF DECLARATIONS TO PUT GOODS FOR CONSUMPTION (DECLARATIONS OF CUSTOMS ENTRY)

#### Article 197

A fine not less than two folds of the duties, and not exceeding four folds shall be imposed for the following offences :

- 1- The declaration which is contrary to the kind, origin or source.
- 2- The discrepant declaration in which the real value of goods exceeds 5% five percent over that is declared.
- 3- The discrepant declaration where the weight, number or measurements of goods

exceeds 5% over what is declared.

### Chapter 3

#### OFFENCES IN RESPECT OF EXPORT DECLARATION (DECLARATIONS OF CUSTOMS EXPORT)

##### Article 198

A fine not less than the value of goods, nor exceeding two folds of such value shall be imposed in respect of the following declarations :

- 1- The declaration which is contrary to the kind.
- 2- The discrepant declaration in which the real value of goods exceeds 10% ten percent over what is declared.
- 3- The discrepant declaration where the weight, number or measurements of goods exceed 5% five percent over what declared.

##### Article 199

There shall be imposed a fine not exceeding the value of goods, nor below than one-half of such value for respect of export declarations of which it would lead to the evasion from the restriction of export license or foreign exchange in the following cases :

- 1- The declaration which is contrary to the kind.
- 2 - The discrepant declaration in which the real value exceeds 10% ten percent over what is declared .
- 3- The discrepant declaration in which the weight, number of measurements of goods exceed 5% five percent over what is declared.

##### Article 200

A fine not less than two folds nor exceeding four folds of the drawbacks shall be imposed for offences in respect of export declaration which will lead to obtaining advantage from drawbacks received illegally where the amount thereof exceeds 5% five percent.

### Chapter 4

#### PFFENCES IN RESPECT OF SUSPENDED CONDITIONS OF DETIES

##### Article 201

Provisions applied to offences in respect of declarations to put goods under consumption as referred to in Article 197 hereof shall apply to offences in respect of suspended conditions of duties provided in PART 8 of this law.

##### Article 202

There shall be punished with a fine and confiscation as provided in sup-Para “b and c” of Para 1, article 194 of this law for offences in respect of the sale of goods and cars being accepted under suspended condition of duties, to be used outside places being allowed to or in other aspects for which it is specially entered, to be substituted or disposed of illegally and before notifying the customs department and fulfilling transactions related to.

#### Article 203

A fine not less than 100 one hundred diners, nor exceeding 500 five hundred shall be imposed for offences related to carrying passengers or goods inside the Iraq Republic by cars accepted under suspended conditions of duties in a manner that contravenes the provisions of laws and regulations in force.

#### Article 204

A fine not less than 5 five diners, nor exceeding 10 ten diners shall be imposed for each day of delay, provided that such fine shall not exceed the value of goods for offences in respect of the delay to forward goods being dispatched in transit to the office of departure or to the office of domestic destination after the lapse of periods being determined for in the declarations.

#### Article 205

A fine not less than 25 twenty five diners nor exceeding 100 one hundred diners shall be imposed for the following offences :

- 1- The submission of certificates being determined to discharge and the satisfaction of transit declarations after the lapse of periods being set for such purpose.
- 2- The cutting of lead and buttons or removing customs seals from goods in transit. This shall not prevent the application of provisions of article 194 of this law in case an existence of a shortage in goods in curtailed.
- 3- Changing the routes being set in the declaration of goods in transit without the approval of the customs department.
- 4- The violations or any of the provisions and legal terms of transit not provided in this article.

#### Article 206

A fine not less than 25 twenty five diners, nor exceeding 100 one hundred diners shall be imposed for the violation of the provisions of real, private or imaginary warehouses. Such fine shall be collected from owners of warehouses or their investors.

#### Article 207

There shall be imposed a fine not less than 25 twenty five diners, nor exceeding 100 one hundred diners for the violation of the provisions of customs laws and regulations in respect of free zones.

#### Article 208

Provisions as applied to offences related to declarations of putting up for consumption shall be applied to the following :

- 1- the changing of goods entered temporarily or re-exported in whole or in part, with another goods.
- 2- Refraining to forward goods being accepted under the conditions of temporary entry according to customs department's requisition.

#### Article 209

There shall be imposed a fine not less than 5 five diners, nor exceeding 10 ten diners for every week of delay or part thereof, for offences in respect of the delay to return goods being entered temporarily after the lapse of periods being set in the declarations, provided that such fine not exceed the value of goods.

#### Article 210

There shall be imposed a fine not less than 25 twenty five diners, nor exceeding 100 one hundred diners for the following offences:

- 1 - The submission of certificates earmarked for the discharge and satisfaction of the temporary entry's guarantees or the re-exportation after the laps of periods being set.
- 2 - The cutting of leads and buttons or removing customs seals from goods being dispatched in the declarations of re-exportation, and this shall not prevent the application of the penalty as prescribed in article 194 of this law when a shortage in goods is ascertained.
- 3 - Alteration of places being set for the location of goods under temporary entry with out the approval of the customs department.
- 4 - Changing the routes being set in the declaration of goods for re-exportation without the approval of the customs department.
- 5 - The violation of any of the terms of temporary entry or re-exportation where no stipulation is provided in this article.

#### Chapter 5

#### OFFENCES IN RESPECT OF THE MANIFEST

#### Article 211

There shall be imposed a fine not below than the value of goods plus duties, not exceeding three folds of them for the following offences:

- 1 - The unjustified shortage as against what was enumerated in the manifest or its substitute, whether it was in the number of packages, contents or quantities of bulk goods. In cases where the determination of value and duties is impossible, a fine not less than 25 twenty five diners, nor exceeding 200 two hundred diners for each package shall be imposed.
- 2 - The unjustified shortage as against what was enumerated in the manifest or its substitute. Should there exist packages-among excess ones bearing brands and numbers labeled on other packages in the manifest, then such excess packages or those being touched by the provisions of prohibition shall be subject to highest rate of duties.

#### Article 212

Provisions applying to offences of declarations to put (goods) under consumption as referred to in article 197 of this shall apply to offences related to the manifest or its substitute in respect of value, kind or place of shipment.

#### Article 213

A fine not less than 25 twenty five diners nor exceeding 100 one hundred diners shall be imposed for the following offences:

- 1- Stating several locked packages, assembled by any manner in the manifest or its substitute as if they are one package, with the observance of article 57 of this law in respect of containers, pallets and trailers.
- 2- The non-submission of the manifest or its substitute and other documents as stated in article 38 of this law, or the non-submission thereof within the period being set at entry or departure.
- 3- The existence of more than one manifest or its substitute in the possession of interested owners.
- 4- The non-existence of the manifest or its substitute of the existence of a manifest in conflict to the authenticity of cargo.
- 5- That the manifest was not marked off with customs authorities at the place of shipment in cases where such marking off ought to be done under the provisions of this law.
- 6- The omission of what is to be listed in the manifest or its substitute other than those mentioned in article 211 and 212 of this law.
- 7- The importation by mail of locked packages or tins that bear no proper labels, contrary to the provisions of law, Arab and international post conventions.

#### chapter 6

#### OFFENCES IN RESPECT OF ROVING AND POSSESSIONS

##### Article 214

A fine not less than 25 twenty five diners nor exceeding 100 one hundred diners shall be imposed for the following offences :

- 1- The possession or transportation within the customs belt of goods which come under the provisions of such belt illegally or in a manner which is contrary to the contents of the bill of lading.
- 2- Transportation of goods being restricted, banned or subject to highest rate of duties or contraband within the marine customs belt by vessels the tonnage of which is less than 200 nautical tons, whether mentioned in the manifest or not, or shifcircumstances which have not resulted from marine emergencies or force majeurs.
- 3- The mooring of ships, aircraft landing or the parking of other transport vehicles in places other than that being determined to, and permitted by the customs department.
- 4- The departure of ships, aircraft or other transport vehicles from port, aerodrome or customs precinct without permission from the customs department.
- 5- The mooring of ships of any tonnage or the landing of aircraft in ports or aerodromes other than that being prepared for, and in cases other than emergencies or force majeure without notifying the nearest customs office thereby.

#### Chapter 7

#### MISCELLANEOUS OFFENCES

##### Article 215

THERE SHALL BE IMPOSED A FINE NOT BELOW THAN 25 TWENTY FIVE DINERS, NOR EXCEEDING 200 TWO HUNDRED DINERS FOR THE FOLLOWING OFFENCES :

- 1- The non-submission of the original invoice as prescribed in article (37) of this law, or the submission of documents or instruments in a manner contrary to what is prescribed in the same article.
- 2- Transshipment of goods from one transport vehicle to another , or the re-exportation thereof without declaration or license.
- 3- Loading trucks, cars or other transport vehicles; or unloading or drawing away goods without permission from customs department; or in the absence of its officials, or outside the hours being determined by Customs Administration; or the unloading thereof in places other than specified for.
- 4- Stating several locked packages assembled in any manner in the declaration as if they are one package, with the observance of the provisions of article (57) of this law in respect of containers, pallets and trailers.
- 5- Hindering customs officials from discharging their duties and exercising their right for inspection, examination and survey, and the non-compliance to their order halt.
- 6- The keeping of no registers, documents, instruments and the like, during the period as set in article (187) of this law or refraining to submit them.
- 7- The non-compliance of customs clearing agents to the rules that limit their duties, in addition to penalties as prescribed in Article (175) of this law.
- 8- The shortage which is being materialized in goods existing in customs depots after delivery to storekeeper in an good condition.

#### Article 216

There shall be imposed a fine not below than 100 one hundred diners, nor exceeding 500 five hundred diners, for offences of loading, unloading the vessels or drawing away the goods with out permission from customs department or in the absence of its officials, or outside hours being set, or the unloading in places not earmarked for such, or contrary to the terms to be determined by the Customs Administration.

#### Article 217

There shall be imposed a penalty as prescribed in sub-paras b &c, Para 1, article (194) of this law for offences in respect of using things that are covered with exemption or a reduced tariff in purpose or goals other than the one for which it was imported; or the substitution of selling same without previous approval from the customs department.

#### Article 218

With the observance to the provisions of article 200 of this law, there shall be imposed a fine not below than-folds nor exceeding four folds of the amounts of duties and taxes which were refunded as a drawback or been attempted for repayment as drawback illegally.

#### Article 219

There shall be imposed a fine not below than 25 twenty five diners, nor exceeding 100 one hundred diners for the following offences :

- 1- The evasion or the attempt to evade from making customs transactions.

2- The lacking to keep seals, buttons or lead which are fixed on packages, transport vehicles or containers without leading to a shortage or alteration in goods.

#### Article 220

There shall be imposed a fine not below than 10 ten diners, nor exceeding 100 one hundred diners for every other contravention to the provisions of this law or the resolutions that implement it should no provision is provided to impose a fine against thereof.

#### Chapter 8

#### LIABILITY AND JOINT GUARANTEE

#### I- CIVIL LIABILITY IN CUSTOMS OFFENCES

#### Article 221

1- Civil liability shall arise in offences of smuggling when material elements for any of them is found. No plea. of BONAFIDES or ignorance shall be admitted.

2- Whoever proves by a conclusive evidence that he was a victim to a force majeure, and also whoever proves that he committed non of those acts which formed the offences, or led to be committed nor he caused to be occurred, shall be exempted from liability as provided in Para 1 of this Article.

#### Article 222

In Customs offences, the civil liability shall attach owners of goods being the subject matter of the offence, accomplices, financiers, bailsmen, middlemen, principals, donators, transporters, possessors, beneficiaries and consignors of goods in addition to those who committed them as principal actors, within the limits of the liability of each one of them.

#### Article 223

Owners or investors of shops or places where goods being the subject matter of the offence is laid in, shall be answerable for this reason. As for owners of shops and public places, investors and their staffs, and also the owners of public passengers, transport vehicles, drivers and their seconds, they shall answerable for the existence of such goods therein unless they prove that they have no cognizance of such existence or having no interest therewith directly or indirectly.

#### Article 224

Owners of goods, employers and carries of goods shall be liable for the acts of their employees and all those who are working on their behalf in respect of duties to be collected by the customs, fines and confiscations as provided by this law without prejudice to provisions of other laws in force in this respect.

#### Article 225

Bailsmen shall be liable in the same capacity where the principal obligor is liable for, in respect of the payment of duties, taxes, fines and other amounts payable under the provisions of this law and other laws in force.

#### Article 226

1- Customs clearing agents shall be entirely liable for customs declarations or that which being committed by their authorized employees. They may recourse against owners of goods and employees for damages sustained to by them.

2- Customs clearing agents shall not be liable for guarantees being submitted in customs declarations unless they pledge with, or bailed the pledges thereof.

#### Article 227

The heirs shall be liable to pay sums being incurred against the deceased on pro-rata basis from the legacy.

### II- JOINT GUARANTEE

#### Article 228

Duties and taxes incurred, fines imposed or being adjudged shall be collected jointly or severally and declarations producers, under the provisions of Law for the Collection of Governmental Debts. Goods, properties and transport vehicles, if any, or when seized, shall be surety for the required amounts.

### PART 16

#### CUSTOMS ACTIONS

##### Chapter 1

#### DRAWING UUP THE PROCE-VERBAL

#### Article 229

When a crime is discovered under the provisions of this law, a proce- verbal shall be drawn up according to the following rules:

1- The proce-verbal shall be drawn up by at least two officials of the customs department, or of police officers of the customs, or of public servants or any one of them together with another person of an age.

2- The proce-verbal shall be drawn up immediately should there be no hindrance. When such hindrance is ceased then it would be drawn up immediately.

3- Smuggled goods, things and properties used to conceal the smuggling offence and transport vehicles shall be moved to nearest customs office or sentry.

#### Article 230

In the proce-verbal drawn up under article 229 of this law, the following shall be stated:

1- Place and date of drawing up thereof (year, month, day and hour) .

2- Names of those who drew up the proce-verbal, designation of their posts, ranks and jobs.

3- Names of those answerable to the offence, capacities, occupations, detailed addresses and their selected domiciles whenever possible.

4- The seized goods and their kinds, quantities, values, customs duties and taxes which are exposed to loss, whenever possible.

5- Goods which are not seized, as far as it could be realized or that which may lead to be seized.

6- Detailing the facts, advantageous confession and the facts in respect of the attendance



of those who are answerable for smuggling when goods are under stocking or when they refrain to attend.

7- Pointing out, in the proce-verbal, that it was read out to those answerable for such smuggling and their confirmation thereto by their signatures or the refraining to do that; it would be publicized by gluing it.

8- Subscribing the signatures and the date of proce-verbal's closure.

#### Article 231

1- The proce-verbal, as drawn up under the provisions of this law shall be deemed valid until it is proved to be forged as regards the material facts being examined by those who drew it up by themselves. In respect to what shall be incorporated in the proce-verbaux, such as depositions, confessions and information's taken down by third parties, such proce-verbaux shall not be valid unless for the fact that they were really occurred. Such depositions, confessions and information's incorporated therein shall stay liable to be proved to the contrary.

2- The formal imperfection in the proce-verbal shall not be deemed as reason to be invalidated, unless when being linked to material facts.

3- If the carrying out of procedures or obtaining any other information's from outside the country are required to the satisfaction that such offence is occurred, the proce-verbal to be drawn up under the foregoing rules shall have a proving power liable to be proved to the contrary.

#### Article 232

Customs offences and the proving thereof by all means of evidence may be found out, and the seizing of goods within the customs belt shall not be a condition to constitute a basis for that. The finding out of customs offences in respect of goods by which customs declarations were submitted shall not prevent the fact that they were surveyed or cleared out without being noticed or having had a reservation from the customs to indicate such offence.

#### Article 233

1- A claim of forgery in the proce-verbal shall be submitted by a written declaration to the customs court at a time not later than the first session where the merit of the action or opposition against fining decision shall be heard by the court.

2- If the claimant of forgery is unable to write, his declaration may be submitted verbally to the court, and its clerk shall carry out the subscription thereof and cosigning with its chairman.

3- The claim of forgery shall be seen by the customs court urgently. When it is satisfied with, it will refer same to the competent judicial authority for determination; there after the customs action shall be deemed as deferred.

4- Should it be proved that the process-verbal was forged wholly or partly, the customs court shall decree to annul or correct it.

#### Article 234

An aggregate unified proce-verbaux may be drawn up for a number of offences when the value of goods is not exceeding 10 ten diners for each one, within the limits and instructions issued by Customs Administration. The confiscation of such goods may be sufficient for the account of customs by an order from the Director General or his authorized one. Any means of impeachment shall not be accepted unless owners of such goods would pay customs duties, other dues and taxes and such fines which are payable.

#### Chapter 2

#### PRECAUTIONAL MEASURES

##### I- PROVISIONAL ATTACHMENT

#### Article 235

1- Those who draw up the proce-verbal may seize the goods being the subject matter of the offences, the things that were used to conceal them and transport vehicles.

They may take over all documents with a view to prove the offence and ensure the collection of duties, taxes and fines.

2- It may be allowed, by a decision from the Minister according to a proposal by he Director General, the seizing of what is sufficient of the movable and immovable properties of the contraveners and those liable for smuggling as a surety to collect the duties, taxes, fines and confiscations under the provisions of law.

#### Article 236

The Director General, if necessary and to insure the rights of the Treasury, may requisition sureties and guarantees over the properties of duty-payers of the bailers under the terms being determined by the laws in force.

##### II- ARREST

#### Article 237

1- Arrest shall not be allowed unless in the following cases :

- a) Offence being committed flagrantly or under the intendment thereof.
- b) Making acts of hindrance that obstruct the probing in the office.
- c) The apprehension that persons may flee or hide to evade penalties, fines and compensations which may be adjudicated against them.

2- a) The warrant of arrest shall be passed by the Director General or his authorized one. The detainee shall be handed over the customs court within three days over the date of his arrest.

b) The customs court may extend the period of arrest if investigation requires so.

c) The warrant of arrest shall be notified to Public Prosecutor according to law.

d) Both the detainee and the Public Prosecutor may impeach the warrant of arrest according to law.

3- The authority which ordered such arrest may end it in return of a bail not exceeding the amounts which may be adjudicated.

#### Article 238

- 1- The customs court, according to a requisition by the Director General or the manager of the department, may resolve to deny the travel of contraveners or those liable for smuggling of the country when the seized properties are not enough to cover the amounts of duties, taxes and fines which may be requisitioned.
- 2- The resolution to deny such travel shall be replaced if the contravener or the person held liable for such smuggling would submit an insuring guarantee sufficient enough to cover the amounts which may be demanded or it would be found that the seized properties are sufficient to cover such amounts.

#### Chapter 3

#### PROSECUTIONS

##### I- THE ADMINISTRATIVE PROSECUTION

#### Article 239

- 1- PROSECUTION UNDER RESOLUTIONS OF COLLECTION THE Director General or department manager, may pass resolutions to collect duties, taxes and fines which are collected by Customs Administration whatever the kind of such taxes and fines may be, with the provisions :
  - a) that the debt shall be fixed amount or payable against guarantees or covenants of settlement .
  - b) that the duty-payer would delay to pay the debt after being notified to pay within a period of ten days over the date he was served by the notice.
- 2- Fines as provided in PART 15 of this law (except what is contained in Chapter 1 thereof) may be imposed, and goods may be confiscated by a resolution from proper customs officials to be designated by the Director General according to power and rules to be determined by Customs Administration, the customs departments shall notify contraveners or their lawful representatives with such resolutions.

#### Article 240

Impeachment against the decision being passed under Article 239 of this law shall be filed with the competent customs court within 15 days over the date of service by the decision provided that amounts of duties, taxes, and fines being imposed by the opposed decision shall be paid within the said period. The court may uphold, repeal or amend the decision according to grounds deemed fit there from. Its resolution shall be final, except the decision being passed under Article 202 of this law, where court's resolution shall be liable to impeachment with the special Cassation Bench.

##### II- THE JUDICIAL PROSECUTION

#### Article 241

The action in customs offences shall not be instituted unless by a written requisition by the Director General or one of his lieutenants.

##### III- ADJUSTMENT BY WAY OF COMPROMISE

#### Article 242

- 1- The Director General or whoever he authorizes, may conclude an adjustment of compromise in customs offences prior to institution of the action, during the hearing or after the passing of judgment and prior to gaining the final stage by the substitution, partly or wholly, of customs penalties as prescribed in this law by way of cash penalty that will not exceed two folds of the civil compensation, to be paid in addition to the amount of duties and taxes incurred on goods being the subject matter of the offence.
- 2- The contract of compromise may include the restoration of the seized goods, transportation vehicles and things that were used to conceal the offence wholly or partly, with the observance of restrictions as applied in this respect.
- 3- No adjustment is allowed for customs offences the value of goods of which exceeds 2,500 two thousand and five hundred diners or such duties that would be exposed to loss which exceed 1,000 one thousand diners.

#### Article 243

The Director General or his authorized one may conclude the adjustment with all or part of those liable for the offence. In this case, he shall determine whatever is liked to each one of them of the customs fine ought to be paid in proportion to his liability. All other punishments and the rest of a customs fine shall stay payable by those who were not included in the adjustment contract.

#### Article 244

The following consequences of adjustment contract shall be incurred :

- 1- The dropping of customs fine (civil compensation) .
- 2- The dropping of the punishment of fine.
- 3- The dropping of imprisonment penalty unless the judgment became final.

#### Chapter 4

##### THE CUSTOMS COURT

##### I- THE FORMATION OF CUSTOMS COURT.

#### Article 245

- 1- Customs court shall be set up and their places and jurisdiction shall be determined by a resolution from the Minister of justice in concurrence with the Minister of Finance.
- 2- The customs court shall be composed by a full-time justice whose rank is not below than Class II, TO BE NAMED BY THE Minister of justice and the membership of two customs officials each having a preliminary university degree in law whose rank shall not be below than Grade III, to be named by the Minister of Finance on a proposal by the Director General.
- 3- The customs court shall apply law of Civil procedures and Law of Criminal procedures in every matter that has no provision in this law.

## II- THE JURISDICTION OF CUSTOMS COURT:

### Article 246

The customs court shall have exclusive jurisdiction with the following:

- 1- The determination of actions related to smuggling offences.
- 2- The determination of actions filed by customs department for the collection of customs duties, dues, taxes and other costs.
- 3- The seeing of oppositions against decisions of collection and fining in pursuance to the provisions of Article 240 of this law.

### Article 247

Other courts shall in no way be allowed to hearing actions which are under the jurisdiction of customs court.

## III- SERVICES OF PROCEEDS

### Article 248

Customs officials and policemen thereof may draw up and serve by themselves processes and all papers related to customs actions, decisions for collection and fining and to serve judgments.

### Article 249

Serves shall be made according to law of Civil procedures with the observance of the following:

- 1- If the person ought to be served has changed his selected domicile or his place of business after the date of the proce-verbal which was drawn up against him without notifying the customs department by writing, or gave a contradictory or imaginary address, the service shall then be made by way of gluing the service process on the place of his last domicile or place of business, or on the last address and over the notice board of the proper customs office and shall be stated in the proce-verbal.
- 2- If the person ought to be served was unknown or his domicile is incognizant, and the value of goods subject of the offence is not exceeding 1000 one diners, he would be served by way of gluing the service process over the notice board or the proper customs court and customs department. This shall be stated in a proce-verbal.
- 3- If the value of goods exceeds the amount referred to in Para 2 of this article, the service would be made by way of gluing the service process over the notice board of the court and the customs department and to be advertised in a local daily newspaper and shall be stated in a proce-verbal.
- 4- The proce-verbal as provided in this article shall be draw up two customs officials or the policemen thereof.

## IV- WAYS OF IMPEACHMENT

### Article 250

There shall be established, by a resolution from the Minister of Fines in concurrence with the Minister of Justice, a special Bench of Cassation under the chairmanship of a justice

from the court of cassation and the membership of two director general in the ministry of fines, provided that the Director General of the state Commission of Customs shall not be included.

#### Article 251

- 1- With the observance of the provisions of Para 2 of this Article the judgments passed by the customs court as provided in Article 245 of this law shall be liable to impeachment before the Bench of Cassation as provided in article 250 hereof, within 15 days over the date of being served by the decision. The appellant shall deposit with the customs department within the said, period all fines and amounts being adjudged in the appealed decision.
- 2- No impeachment shall be made against judgments passed by the Customs Court if it adjudicated (by an amount) not exceeding 500 five hundred diners including the value of all confiscated (articles), excluding transport vehicle and articles that were used to conceal the offence of smuggling.

#### Article 252

The Bench of Cassation, when reviewing cases submitted to, may require the completion of additional evidences which may seem fit for that (purpose), and to carry out the necessary probes and pass its judgment by upholding, amending or substituting the judgment. Its decision shall be final.

### V- EXTINCTIVE PRESCRIPTION

#### Article 253

The extinctive prescription for the customs action penalty shall be as follows:

- 1- Ten years for smuggling offences or the like, beginning from the date where the offence occurred.
- 2- Three years for other offences, beginning from the date of their occurrence.
- 3- Ten years for the execution of judgments in respect of smuggling or the like, from the date of gaining the final degree.
- 4- Five years for the collection of fines and confiscations imposed on other offences beginning from the date where the decision of fine or confiscation is passed

#### Chapter 5

#### EXECUTION

#### I- THE URGENT ENFORCEMENT

#### Article 254

- 1- The competent customs court may adjudge with urgent enforcement in the following cases where there is no confliction to provisions of the laws in force:
  - a) If the smuggler was caught red handed, and the value of goods exceeded 100 one hundred diners.
  - b) If it feared that persons may escape or their properties may he smuggled or having no fixed domicile according to a requisition by the Director General or his authorized one.

- 2- The convicted person by way of urgent enforcement, may impeach before the Bench of Cassation to stop the urgent enforcement, provided that he submits a bail to guarantee the judgment passed against him by customs court.

#### Article 255

The judgment by urgent enforcement annuls the period to notify the debtor as provided in the laws in force.

### II- EXECUTION OF JUDGMENTS, DECISIONS OF COLLECTION AND FINING:

#### Article 256

Judgment and decisions being passed in customs actions shall be executed after gaining the final degree according to the laws in respect of judicial decrees execution; with the observance to the provisions of Article 257, 258 and 259 of this law.

#### Article 257

Should it be impossible to collect the enter amounts being decided or adjudicated for the interest of Customs from the movable or immovable properties of debtors and of those being convicted, it is possible to recourse to imprisonment in order to collect such amount not collected. The period of such imprisonment, shall in no way exceed two years in respect of each judgment or decision apart, unless the laws in force require otherwise.

#### Article 258

The convicted person shall be released according to provisions of Article 257 of this law should he undertake to conclude a contract of compromise or to pay what is decree or adjudicated. In case of dissatisfaction, he would be re-imprisoned in performance to said article with a view to complete his imprisonment.

#### Article 259

The Custom's right in the remaining amounts against contraveners or those liable for smuggling and the decreed confiscation after the execution of imprisonment as provided in Article 257 of this law shall not be abated.

#### Article 260

Sentences of imprisonment and summonses issued by the proper authorities and the serving of executioner notifications shall be executed by customs officials and the policemen thereof.

#### Article 261

Customs Administration is exempted from the fees costs of execution in cases as prescribed by law.

PART 17  
SELLING OF GOODS AND GRANTING REMUNERATIONS  
Chapter 1  
SELLING OF GOODS

Article 262

Customs Administration may sell goods and all kinds of transport vehicles, even if their importation is banned, suspended or restricted in the following cases, with the observance to article 263 of this law.

- 1- Seized goods which cover:
  - a) Animals, goods destroyable or leak able that will effect the safety of other goods or sutures which are located in.
  - b) Goods exposed to a noticeable decrease in its value.
  
- 2- abandoned goods which cover:
  - a) Goods whose storage in customs depots, wharves and yards of the customs precinct passes a period of 30 days. This case shall include bailment's to be abandoned by travelers at customs offices.
  - b) Animals and goods destroyable, perishable or leak able which are deposited into customs depots, wharves or yards of customs precinct if signs of a disease and deterioration appear on them or they are damaging to the safety of other goods and installations.
  - c) Goods whose period of storage in the real, private or imaginary warehouses would come to an end. Such goods shall be sold under the provisions of Articles 107, 115 and 121 of this law.
  - d) Goods whose duties or service fees in free zones or shops were not paid when the customs department invests such free zones or shops. The selling of goods shall be carried out according to the provisions of Article 136 of this law.
  - e) Goods of trifle value the owners of which are unknown and claimed by nobody during the specified period of storage.
  
- 3- Goods properly imported and assigned to Customs Administration.

Article 263

To carry out the sale as provided in Article 262 of this law, the following provisions shall be observed :

- 1- The sale shall be carried out by public auction under the terms and rules which may be determined by a regulation, excluding goods that are restricted to socialist sector, where the selling thereof shall be made to the said sector under provisions to be determined by a resolution from the Minister in concurrence with the Minister of Trade.
- 2- Properties and a transport vehicles shall be sold free of customs duties, other dues and taxes, excluding Public outcry fees which shall be borne by the purchaser.
- 3- Selling of seized goods as prescribed in Para 1 of Article 262 shall be made according to a minutes whereby conditions of goods and reasons which led to sell



- it shall be stated without the need to notify interested owners or awaiting the issuance of a resolution from the proper customs authority.
- 4- The sale of goods being abandoned as provided in sub-Para (b), Para 2 of Article 262 of this law shall be stated in a minutes, provided that owners of goods or their representative, where possible, shall be notified, otherwise, a publication shall be made on the notice board.

#### Article 264

- 1- The proceeds of the sale of seized goods as provided in Para 1, Article 262 of this law shall be entered as a deposit with the customs department. In case a resolution is to be passed to restore goods to their owners, the proceeds shall be paid to them after deduction of expenses ought to be paid, if any.
- 2- The proceeds of the sale of goods as provided in Para 2 and 3, Article 262 of this law shall be distributed according to the following sequence:
  - a) Costs of the sale process.
  - b) Freight charges if necessary.
  - c) Whatever costs being paid by the customs department.
  - d) Customs duties.
  - e) Other dues and taxes. The sequence of priority for them shall be observed in respect of the date of enforcement of legal provisions prescribing the creation thereof.
  - f) Maintenance charges in customs depots or warehouses such as breaking bulk, wrapping , transportation, port rage, etc.
  - g) Storing charges.

#### Article 265

The remaining amount of property shall be determined from the proceeds of sale after distribution as provided in Para 2. Article 264 of this law as follows:

- 1- The sale proceeds of the abandoned goods:
  - a) If the properties being sold were of the kinds allowed to be imported at the date of selling, the remaining sum shall be devolved to interested owners should they claim them during one year over the date of selling, otherwise, it shall be entered as a final revenue to the Treasury.
- 2- Sale proceeds of goods imported properly and assigned to Customs Administration. The remaining amount shall be entered as a final revenue to the Treasury.

#### Chapter 2

#### GRANTING OF REMUNERATIONS

#### Article 266

- 1- A sum not exceeding 50% fifty percent from the total of customs fines plus the selling proceeds of confiscated goods may be granted to informers and persons who were active elements in uncovering the offences as provided in this law, those who assisted therewith and other parties which shall be determined by a particular regulation. The Ministry may issue a ret solution determining the rates

- of such remunerations and how to be distributed.
- 2- The order being issued to grant remunerations as provided in this Article shall include the names of those to be paid and the amount of what shall be paid to each person. Should the informers requested not to be named, therefore they may be granted such remuneration without being mentioned, provided that a special approval by the Director General or his authorized one shall be made.
  - 3- The Minister may authorize the Director General to grant special remunerations to informers and persons who were active elements or who assisted to uncover the offences as provided in this law or any other law which penalizes acts of smuggling in cases where no customs fines are collected, non-availability of sale proceeds of properties or the confiscated transport vehicles or where the amounts of fines and sale proceeds are so trifling that the aforementioned cannot be remunerated.

## PART 18

### FINAL PROVISIONS

#### Article 267

- 1- No refundment of customs duties, other dues and taxes that were collected by the customs department after the lapse of a period exceeding three years over the date of payment.
- 2- The customs department shall in no way claim duties and taxes which were not collected as a consequence to error and omission after the lapse of three years over the date of being payable.
- 3- The different kinds of amounts being deposited with the customs department, shall be entered as a revenue to the treasury after the deduction of customs duties and other taxes there from, if the interested parties failed to submit the required documents and instruments within the period provided in this law , and within the terms determined by Customs Administration.
- 4- State departments and socialist sector shall be excluded from the provisions of this Article.

#### Article 268

- 1- The Customs Administration, for the purpose of collecting all customs duties, confiscations, drawbacks, other taxes and dues which are charged to collect, shall have the enjoyment of preferential lien over movable or immovable properties of the duty-payers even in case of bankruptcy and a priority over all debts except those relating to the maintenance of properties, things and judicial charges.
- 2- Customs Administration shall be exempted from stamp duty and all other judicial charges incurred over the action.
- 3- Should the Customs Administration lose the action, it would bear the costs and charges being adjudged to the interest of the other party.
- 4- Customs Administration shall be exempted from the submission of bail or surety to guarantee charges ought to be (paid) under the laws in force.

Article 269

The Director General may exclude state departments, Socialist and private sectors from some formal proceedings in respect of customs transactions to facilitate their business.

Article 270

- 1- Customs Law No. 56 of 1931 shall hereby be repealed.
- 2- Provisions of regulations, instructions and proclamations issued under the provisions of the repealed Customs law that will not contradict with the provisions of this law shall be implemented.
- 3- Regulations and instructions to facilitate the application of the provisions of this law may be issued.

Article 271

This law shall be published in the Official Gazette and shall be enforced after the laps of six months from the date of publication thereof.

**SADDAM HUSSAIN CHAIRMAN OF THE REVOLUTIONARY COMMAND COUNCIL**

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Whereas a long time ago has been passed when customs Law No. 56 of 1931 was enacted, and the introduction of many amendments thereto which led to distort the unity of legislation and harmony in judgments, and the satisfy the need to customs law according to plans of the party and Revolution for the development and evolution that realize the concision and flexibility in customs procedures that include the principles adopted by comparative legist ion including documents of CUSTOMS COOPERATION COUNCIL in Broxelles, and with a view to unify Arab legislation within the scope of the CONVENTION OF ARAB ECONOMICAL UNITY, and the application of an enactment that will derive its provisions from the draft law of the UNIFIED ARAB CUSTOMS ACT which was adopted by the Customs Committee in the COUNCIL OF ECONOMIC UNITY to be in conformity with the provision of CONVENTION OF TRANSIT BETWEEN ARAB COUNCIL TRIES which was sanctioned by Iraq in the Law No. (35) of 1978, this law is hereby promulgated.